PARLIAMENTARY DEBATES

(HANSARD)

SIXTH SERIES—VOLUME 438 (Part 1)

HOUSE OF COMMONS

OFFICIAL REPORT

FIRST SESSION OF THE FIFTY-FOURTH PARLIAMENT
OF THE UNITED KINGDOM OF GREAT BRITAIN
AND NORTHERN IRELAND
FIFTY-FOURTH YEAR OF THE REIGN OF
HER MAJESTY QUEEN ELIZABETH II

SESSION 2005–06

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24 October 2005

THE PARLIAMENTARY DEBATES

OFFICIAL REPORT

IN THE FIRST SESSION OF THE FIFTY-FOURTH PARLIAMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND
[WHICH OPENED 11 MAY 2005]

FIFTY-FOURTH YEAR OF THE REIGN OF
HER MAJESTY QUEEN ELIZABETH II

SIXTH SERIES VOLUME 438

FIFTH VOLUME OF SESSION 2005–2006

House of Commons

Monday 24 October 2005

The House met at half-past Two o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

CULTURE, MEDIA AND SPORT

The Secretary of State was asked—

Licensing Act

1. **Michael Gove** (Surrey Heath) (Con): What recent representations she has received on the Licensing Act 2003. [20214]

The Secretary of State for Culture, Media and Sport (Tessa Jowell): My Department continues to receive a number of representations about the Licensing Act, mainly relating to the fees review, the consultation on temporary event notices and the timing of the second appointed day. On the issue of whether the Government should press ahead with full implementation of the Licensing Act on 24 November—the second appointed day—the key stakeholders are supportive, and that is what the Government intend to do.

Michael Gove: I am sure that the Secretary of State will be aware of the widespread concern that many of my constituents feel about the legislation. In particular, they are deeply concerned about the rise of alcohol-fuelled antisocial behaviour. Many establishments in Camberley town centre have been pressing for extensions to their licences, but unfortunately local residents who do not live in the immediate vicinity are barred from making representations. Local councillors who are deeply concerned about preserving the character and tranquillity of that town centre are also gagged from making their representations heard when deliberations are made on the extension of licences. What can the Secretary of State say to reassure my constituents that she takes seriously the threat of alcohol-fuelled antisocial behaviour and that she will show respect for those local people who cannot have their voices heard in the debate because of her legislation?

Tessa Jowell: On the first point, on alcohol-fuelled antisocial behaviour, it is precisely because of the new police powers in the legislation that we intend to press ahead and secure its implementation as quickly as possible, so that those powers are at their disposal. On the second point, in looking at the performance of local authorities around the country, to which I pay tribute for setting up the new regime, I am pleased that in 95 per cent. of the cases in which residents make representations against variation in hours, their concerns have been met and a satisfactory conclusion reached.

Mr. David Crausby (Bolton, North-East) (Lab): Does my right hon. Friend agree that the problems of binge drinking and antisocial behaviour have grown as a result not of the licensing laws, but as a by-product of an increasingly selfish society, nurtured in the early 1980s? Does she also agree that a more civilised regime is essential to reform the existing drinking culture?

Tessa Jowell: I certainly agree that a regime that combines tough law enforcement and powers to crack down on antisocial behaviour and alcohol-related crime, linked to the end of the curfew for the law-abiding majority, is the right way to go, and that is the way in which the Government intend to proceed.

Mark Pritchard (The Wrekin) (Con): Will the Secretary of State comment on a contradiction at the heart of Government policy with regard to alcohol disorder zones as proposed in forthcoming legislation and the 2003 Act? Is there not a contradiction between rising antisocial behaviour as a result of excess alcohol consumption and, at the same time, the introduction of alcohol disorder zones?

Tessa Jowell: No, I certainly do not accept that there is any inconsistency. We have a big problem with alcohol-fuelled violence and binge drinking. The 2003 Act makes a necessary, but not complete, contribution to solving that problem. The Violent Crime Reduction Bill, which is legislating for the introduction of alcohol disorder zones, is a second very important stage. Put together, the powers of the Violent Crime Reduction Bill and the powers of the 2003 Act give the police unprecedented powers to crack down on alcohol-fuelled disorder. That is why getting the legislation enacted is so pressing.

Mrs. Joan Humble (Blackpool, North and Fleetwood) (Lab): Is my right hon. Friend aware that 1,700 premises licences and 2,000 personal licences have been awarded in Blackpool? Will she congratulate seaside towns on getting the balance right between listening to the representations of the local community and taking account of the needs of visitors, to ensure that our seaside towns continue to prosper?

Tessa Jowell: I thank my hon. Friend for that. I certainly do pay tribute to those councillors who sat on local authority licensing panels in seaside towns and, indeed, across the country for their magnificent effort in getting us to the position in which 97 per cent. of licences are transferred to the new regime. We also have a new regime that gives power to local residents in a way that they have never had before.

Susan Kramer (Richmond Park) (LD): Does the Minister accept that in communities such as mine licensees are applying for exactly the same extended hours, thus defeating the Government's goal of staggering closing? Drunks will now come out onto the street at a time that is more disruptive to the community. They will have had even more to drink and police resources will be diminished.

Tessa Jowell: The pattern established by authorities around the country is different from the position in her constituency. We are indeed seeking to avoid replacing one fixed closing time with another for the reasons that she identified. I suggest that she make representations to her local council to address the problem.

Andrew Miller (Ellesmere Port and Neston) (Lab): My right hon. Friend is right that the Licensing Act gives enormous power to local authorities, but there is confusion about how far they can push the boundaries, particularly with regard to the role of councillors who wish to make representations in the area where they live. Will she look at that and at whether, for example, councillors can make children's areas no-smoking areas?

Tessa Jowell: We have undertaken to review the implementation of the Act, and when we do so we will of course look at that. When Parliament considered that point it sought to ensure that councillors who raise concerns with the local authority—such concerns could result in a licensee losing their licence—do so in their representative capacity. I am happy on the strength of the experience to date to give the House an assurance that we will look at that issue in our longer-term review of the Act.

Mrs. Theresa May (Maidenhead) (Con): Figures out last week showed violent crime up by 6 per cent. on the same period last year. The Secretary of State has already referred to the link between binge drinking and violent crime, so does she not accept that the new licensing hours will simply make the problem worse?

Tessa Jowell: No, I certainly do not. The Association of Chief Police Officers wants the Act to be implemented on time, as do local authorities. They recognise something that seems to have escaped the right hon. Lady for many weeks—the police need those new powers to tackle alcohol-related crime. In her constant opportunistic opposition she is in effect voting against the voices in the police and local government saying that we need those powers to make a serious attack on alcohol-related crime.

Mrs. May: I suggest that the Secretary of State listen more carefully to the question in future. I did not ask about the licensing law and the new powers; I asked about the new licensing hours. Senior police officers have made it clear that new powers are welcome but that extended licensing hours are not. A Scotland Yard report predicts an

"increase in the number of investigations of drink-related crimes, such as rape, assault, homicide and domestic violence".

The chief constable of North Yorkshire said that longer hours would lead to

"increased criminality, drink-driving, road casualties and antisocial behaviour".

The licensing spokesman for the Association of Chief Police Officers said:

"People are going to drink more because of longer hours and there will be lots more crime and disorder."

Why are the Government ignoring them?

Tessa Jowell: Some of the crimes that people commit while under the influence of alcohol are hideous. There is no dispute in the House about that, but I would not want the right hon. Lady to think that this was a decision that was reached lightly. The Government are determined to push ahead with the implementation of the Licensing Act, because we can provide protection to innocent victims by giving the police powers to take effective action. She used a pick-and-mix strategy to find a chief constable who agrees with her, but the president

of ACPO has made it quite clear that the police do not have any objection to flexible hours per se. We have worked closely with the police to meet their concerns. We are going to implement the legislation on 24 November and many people will be saved from attack, assault and injury as a result.

Lottery Funds Distribution

2. **Mr. Eric Illsley** (Barnsley, Central) (Lab): If she will make a statement on the Committee of Public Accounts report on the distribution of lottery funds by awarding bodies. [20215]

The Minister for Sport and Tourism (Mr. Richard Caborn): We will respond to the PAC's report before 15 December. We agree broadly with its conclusion that lottery money must get to the communities as quickly as possible, and that we need to do more to ensure that distributors do more to get the balances down. I would also like to place it on record that we have reduced lottery balances by a third since 1999.

Mr. Illsley: I am grateful to my right hon. Friend for his reply. It is essential that the Government follow that route. Will he give me a reassurance that the Department will redouble its efforts to ensure that the balances are used, particularly in constituencies such as his and mine, which have traditionally received less lottery funding than other parts of the country?

Mr. Caborn: Much as I would like to say yes to the last part of my hon. Friend's question—we accept that Barnsley and Sheffield are the centre of the universe—I cannot guarantee that lottery money will be there. Seriously, however, we are determined to get the balances down, and I hope that we will get support on the National Lottery Bill, whose Committee starts sitting tomorrow. The Bill contains measures that will help the lottery distributors to get the balances down to between £1.5 billion and £1.7 billion, which we think would be reasonable. I hope that those measures will help us to achieve that objective.

Peter Luff (Mid-Worcestershire) (Con): Is it not prudent for the Heritage Lottery Fund, which has recently granted £3 million to the Droitwich canals, to keep its money in the bank until it is ready to be spent, when we see the amount of money that the Government commit to the original purpose of the lottery reduced year on year, as they shift funding to other causes? Would it not be prudent to keep that money in the bank, as we are so fearful of what the Government might do to that funding stream in future?

Mr. Caborn: No. If the hon. Gentleman reads the PAC report, which we agree with, he will find the answers to his questions. It would be wrong to say that the Heritage Lottery Fund, the distributor, does not have to look again at these issues. Some of the measures that we hope to take in the National Lottery Bill, whose Committee starts tomorrow, will bring some discipline into these matters.

In regard to changing the lottery, it is an evolving scene. We have moved from capital spending to more revenue spending, but that was after wide consultation with the general public. That is the way in which they wanted it to evolve. The hon. Gentleman is wrong on both counts.

Mrs. Ann Cryer (Keighley) (Lab): Can my right hon. Friend confirm that the Heritage Lottery Fund is to continue, contrary to rumours that have been circulating? I should like to declare an interest, in that I am the president of the Keighley and Worth Valley Railway Preservation Society, which has benefited from lottery funding in the past.

Mr. Caborn: I honestly do not know where these rumours come from. We take these matters seriously, so far as the Heritage Lottery Fund is concerned, and we have guaranteed it up to the end of this licence. We have also said that serious consideration must be given to enabling the good causes programme to continue after the beginning of the new licence. If we are talking about a commitment to ensuring stability of spending on good causes in the medium to long term, then, crikey, I do not think that any Government could have done more than we have. It is despicable of people to try to undermine the Heritage Lottery Fund by spreading these rumours, and they ought to stop immediately.

Mr. Laurence Robertson (Tewkesbury) (Con): Rather than leaving the money in the bank, would it not be better to use it to finance an organisation called the Severn Area Rescue Association, whose application for just £5,000 for a new Land Rover to launch its lifeboats was turned down because it could not provide details of the social background of the people it rescued? I am sure that the Minister would not want its members to try to assess the wealth of the people they were dragging out of the river. Does he agree that a better way forward would be for the lottery people to review their criteria?

Mr. Caborn: I would not disagree with that. This is one of the reasons why we are bringing the Bill before Parliament again, and as I said earlier, we are moving with the times and trying to evolve what is probably the most successful lottery in the world. We have put these matters out to wide consultation to assess how the general public and the lottery players want the money to be spent. I have no doubt that the Big Lottery Fund will respond to some of the issues that the hon. Gentleman has mentioned, but I cannot comment on the specific case that he raised. If he wants to write to me, however, I will take the matter up with Stephen Dunmore of the Big Lottery Fund, and I will write to him with the response.

Helen Jones (Warrington, North) (Lab): In my right hon. Friend's response to the report, will he consider carefully what more can be done to assist small organisations in making grant applications, and particularly to direct money to smaller organisations in our more deprived communities? Will he also encourage a more rounded view to be taken of the receipts from each constituency? The receipts from Warrington town centre are not allocated to my constituency at all, even though it is the shopping area for Warrington, North.

Mr. Caborn: My hon. Friend probably knows that several reviews have taken place, and we have tried, wherever possible, to factor in some of the concerns that she has just expressed. Broadly speaking, I hope, we are getting that right. The distribution in terms of geography and the indices of deprivation is now factored in—we have gone from capital to revenue spending, and have made it much easier, and will continue to do so through the Big Lottery Fund, for small organisations not only to apply but to get awards. We are trying to simplify and make such applications much more user-friendly, which is the whole object of the exercise.

Mr. Hugo Swire (East Devon) (Con): The Minister's complacency is wondrous to behold, but the fact is that organisations such as the New Opportunities Fund, a lottery distributor under direct Government control, missed the Government's target to reduce its balances by a massive £376 million. He can add that failure to the Government's lengthening list of missed targets. Is not the real lesson of all this simple: Government interference in the lottery simply does not work? Should not the Minister therefore interfere less in the lottery, not more, as the Bill proposes? Will he drop the draconian power in the Bill that effectively allows the Government to nick lottery balances and give them to anybody the Secretary of State chooses?

Mr. Caborn: I have no doubt that we will have that debate in Committee in the coming weeks, and it will be very interesting. I will give reasons in Committee, rather than at the Dispatch Box, and the House will be able to debate those further at a later date. Through the Bill, we are taking no more powers than existed under NOF or the Community Fund, and we will debate those in Committee. In terms of the balances, we have been reasonably successful, although there is no doubt that we can do better. We have brought them down by a third, from £3.73 billion to £2.3 billion, which is not good enough—we want to get to around £1.8 billion to £1.9 billion, which is at least sustainable. We will continue those efforts, and I hope that the hon. Gentleman will support the Government's Bill in Committee in the next few weeks. That will help us to get those balances down to the figure that I have indicated, which we think is reasonable.

Media Literacy

3. **Danny Alexander** (Inverness, Nairn, Badenoch and Strathspey) (LD): What assessment her Department has made of levels of media literacy. [20216]

The Parliamentary Under-Secretary of State for Culture, Media and Sport (Mr. David Lammy): The Government have placed a statutory duty on Ofcom to promote media literacy. As part of that duty, Ofcom has recently undertaken a large-scale audit of media literacy skills, knowledge and understanding in the UK. Ofcom is currently analysing the data that it has gathered and will publish that early next year.

Danny Alexander: I welcome the Department's efforts to promote media literacy, not least because it is vital to empowering people and enabling them to participate effectively in democratic processes, but will the Minister undertake to find a way of measuring it? That would enable progress also to be measured, and resources to be targeted appropriately.

Mr. Lammy: I know that the hon. Gentleman is keen to establish an all-party parliamentary group to consider media literacy, and that Ofcom is keen to work with him. Data that Ofcom is currently gathering will enable the Department to make progress, but I remind the hon. Gentleman also of the work of the media literacy taskforce, which involves broadcasters' ensuring that we educate our population better, and protect our children better, in a complex technical age.

Licensing Act

4. **Sarah McCarthy-Fry** (Portsmouth, North) (Lab): What assessment she has made of the impact of the Licensing Act 2003; and if she will make a statement. [20217]

The Parliamentary Under-Secretary of State for Culture, Media and Sport (James Purnell): It will not be possible to assess the impact of the Licensing Act 2003 until after the new regime is fully in force on 24 November. However, the legislation is already having a positive impact as the police, environmental health officers and residents use the opportunity to influence licences. We will conduct a full assessment of the Act after its implementation.

Sarah McCarthy-Fry: I thank the Minister for his reply, but I am particularly concerned about under-age drinking. I welcome the tough new penalties for selling alcohol to those under 18. There was a particular problem in an area in my constituency called Buckland, where antisocial behaviour was linked with under-age drinking. A partnership was formed between the local Co-op store, the police, the council and residents. On investigation, they found that it was not a case of stores selling alcohol to children, but a case of adults purchasing alcohol on children's behalf. The partnership organised a local awareness campaign, but when the police spoke to parents, they encountered a lax attitude towards children's drinking. Would the Government be prepared to undertake a nationwide awareness campaign?

James Purnell: My hon. Friend has campaigned assiduously in her constituency, and we will certainly consider her suggestion of a national advertising campaign. That would, I think, be the right way in which to educate parents about their responsibilities. It is also important for us to implement the extra powers in the Act, such as the fine to punish those who sell alcohol to under-age drinkers, and the powers in the Violent Crime Reduction Bill which enable us to close for 48 hours premises that persistently sell alcohol to under-age drinkers.

James Brokenshire (Hornchurch) (Con): A genuine fear in my constituency is that the Licensing Act will increase crime, disorder and antisocial behaviour. The Secretary of State has emphasised the extra powers that the Act will give the police, but the enforcement of the

law will depend on there being enough police resources. The law is due to be introduced just before Christmas, when resources in the Metropolitan police area in London are likely to be considerably stretched because of the heightened terrorist threat that exists at that time. What representations has the Minister made to his Home Office colleagues with the aim of ensuring that we shall have enough police to deal with the problems that I expect to result from the introduction of the Act?

James Purnell: The hon. Gentleman makes a good point. We are having discussions with the Home Office and the police about how they can use the extra powers in the Act over Christmas to do exactly as he suggests. The Act is, however, already producing an improvement in licensing conditions. It has led to more people joining Pubwatch. The police are using it as a way of persuading people to sign up to CCTV and pager schemes and to employ extra door staff. The licensing process has tidied up and toughened the regime that operates in pubs, and it will help us to deal with problem pubs that have got away with their practices for too long under the current licensing laws.

Mr. Pat McFadden (Wolverhampton, South-East) (Lab): Does the Minister agree that a much under-reported aspect of the Act is the extent to which it empowers local communities to take action against the noisy and disruptive premises in their midst? Will he tell us the exact difference between the new situation and the old one, in which communities were disempowered from taking action against noisy premises in their neighbourhoods?

James Purnell: It was in response to campaigning by Members of Parliament that we introduced those extra powers. Any Member who has tried to have a pub closed down knows that it is virtually impossible to do so. Only 0.2 per cent. of premises failed to have their licences renewed last year. The Act provides for a review that any resident, the police or the council can use at any time to deal with a problem pub. We believe that the Act will change for ever the incentives provided for landlords, who will now know that if they misbehave or cause disorder on their premises, they will be on probation, that they will be targeted by the police and the council, and that their premises may be closed down.

Mr. Don Foster (Bath) (LD): We already know that judges, doctors, many senior police officers, officials in the drink industry and the public at large are deeply concerned about the negative impact of the Licensing Act; but what about the Minister himself? When he was personally involved in drafting for the Labour party that infamous text message

"cldn't give a XXXX 4 last ordrs? vote Labour 4 xtra time",

did he imagine that, shortly before the 2001 general election, that message would give the impression that under Labour there would be a crackdown on binge drinking, or the impression that under Labour young people would have more time to get drunk?

James Purnell: I have great respect for the hon. Gentleman, but he should know better than to believe everything that he reads in *The Mail On Sunday*. I can clarify that that report was total fantasy and that I had absolutely nothing to do with it. I was not working in Millbank; I was campaigning in Stalybridge and Hyde. As the Secretary of State has made clear, we regret that text message, but it had nothing to do with me.

Lynda Waltho (Stourbridge) (Lab): In the light of answers given to my hon. Friends the Members for Portsmouth, North (Sarah McCarthy-Fry) and for Wolverhampton, South-East (Mr. McFadden), will the Minister undertake to contact licensing authorities about this issue? There seems to be confusion at that end as to what they will allow residents to do. Four constituents have complained at separate surgeries that Dudley council, my licensing authority, is establishing a 100 m limit concerning the ability to object to licences, renewals or extensions. Will the Minister remove this confusion and give particular consideration to the portfolio holder who wrote to my local paper on Friday, saying that only residents who lived a short distance could—

Mr. Speaker: Order. May I appeal to every Member who asks a supplementary to be brief? It is not only the hon. Lady who was at fault; there were others. I call Anne Main. *[Interruption.]* Sorry, I forgot about the answer.

James Purnell: It probably was not worth waiting for, Mr. Speaker. *[Laughter.]* The definition of what constitutes a vicinity is a matter for local authorities, and we have written to them to encourage them to be as flexible as possible. As the Secretary of State said, we will review the guidance, and I encourage my hon. Friend to contribute to that review. We will look at this issue sympathetically.

Anne Main (St. Albans) (Con): Given that the Minister is encouraging the police to participate more and to help residents to oppose inappropriate licensing applications, what is his opinion of the fact that the licensing authority in my constituency did not take into account anecdotal evidence from the police concerning the Blacksmith's Arms and the committing of 15 non-arrestable offences? It appears that the police's word carries no more weight than that of a licensee who says that he can manage the situation.

James Purnell: I obviously cannot comment on an individual case, but my experience across the country is that the police are proving successful in objecting to applications. For example, some premises are being closed down because they have a previous history of drug dealing or of causing disorder. As the hon. Lady knows, under this legislation there will for the first time be a review mechanism, so if the problems occur that she and the police are worried about, they can ask for an immediate review of the licence in question. The powers to deal with the minority of pubs and bars that cause problems are therefore much more stringent under this legislation, and they can be used much more rapidly.

Mrs. Gwyneth Dunwoody (Crewe and Nantwich) (Lab): Will the Minister cast a quick eye over a potential unintended effect of the Act, which is to prevent

voluntary organisations from holding fairs such as Nantwich fair? It would be very unfortunate if we lost what is a traditional fair because of the cost involved.

James Purnell: I am very happy to meet my hon. Friend or her constituents to discuss this issue. It has been clarified that there is no need for similar events such as the Somerset carnival to be licensed, but I am happy to examine whether the particular example of Nantwich fair is covered by such exemption.

Lynne Featherstone (Hornsey and Wood Green) (LD): Alcohol-related deaths have risen by 18 per cent. across the country, and in some places by more than 40 per cent. Does the Minister accept that this figure is likely to rise again under the new Act?

James Purnell: No, I do not. Such problems are occurring under the existing legislation, which contains a loophole whereby hundreds of premises can remain open in all our city centres after 11 o'clock—320 can do so in Manchester, for example—but to exploit that loophole they have to put on dancing and music. If one were to try to design a system that is likely to make alcohol-fuelled violence worse, that would be it. That is why we want to change the system and to have such decisions made locally, on the basis of local circumstances and the advice of the local police.

Listed Sporting Events

5. **Mr. John Grogan** (Selby) (Lab): What plans she has to review the listed sporting events. [20218]

The Secretary of State for Culture, Media and Sport (Tessa Jowell): I have said that I intend to review all listed sporting events, including cricket, around 2008–09. At that time, which will be 10 years after the last review, we will be in a position to take account of changes in the broadcasting of sport and of broadcasting in general, in the run-up to digital switchover.

Mr. Grogan: Did the England and Wales Cricket Board ask the Government to be released from the informal agreement reached by the then Secretary of State in 1998—that although cricket was to be delisted, the majority of home test matches would continue to be available live on free-to-air TV? In the interests of the many rather than the few and in the interests of all who cannot afford £400 for Sky sports, should not the main test match series in the summer be restored to the A list forthwith?

Tessa Jowell: I thank my hon. Friend for that question. No, the ECB did not ask to be released and I must also say that the status of the reported gentleman's agreement is somewhat unclear. Lord MacLaurin has taken steps to clarify it and to explain that the ECB had no choice. The point at which cricket was delisted was also the point at which the Government ceased to have a direct role in the decision. From then on, the decision became a matter between the ECB and the broadcaster. Clearly, the ECB sought to maximise the income from broadcasting revenues, which accounts for 80 per cent. of its income available to spend on the English team and grassroots cricket. In view of the very high level of interest in the matter—reflected in the early-day motion—I have undertaken to review the listed events at the appropriate time.

Mr. Crispin Blunt (Reigate) (Con): When the right hon. Lady comes to review the matter—hopefully before 2008—will she consider the position of the supporters of these national sports who are faced with a monopoly from one subscription provider? Will she examine the idea that I put forward in a ten-minute Bill in 1998—that A or B-listed events, if not available for a free-to-air broadcaster, must be sold to more than one subscriber?

Tessa Jowell: When the time comes to undertake the review, I will certainly ensure that it takes account of all the relevant factors and representations at the time.

Derek Wyatt (Sittingbourne and Sheppey) (Lab): I wonder whether the Secretary of State would consider separating broadcast rights from broadband rights? One way to settle the problem quite quickly would be to allow the current Sky system to continue with the Ashes, but for broadband rights to be reallocated to provide another way of seeing these events live.

Tessa Jowell: My hon. Friend makes an important point, and by 2008 there will be considerably more material, with an increased take-up of broadband. As I confirmed to the hon. Member for Reigate (Mr. Blunt), I will certainly ensure that the terms of reference of the review take account of all the relevant broadcasting issues at the time.

Television Licences

6. **Dr. John Pugh** (Southport) (LD): What assessment she has made of the appropriateness of methods employed by TV Licensing in pursuit of people deemed to have an unlicensed television. [20219]

The Parliamentary Under-Secretary of State for Culture, Media and Sport (James Purnell): The BBC, as television licensing authority, has responsibility for the collection and enforcement of the licence fee and TV Licensing operates as agent for the corporation. It is for the BBC, initially, and, ultimately, the governors, to satisfy themselves that TV Licensing's methods are appropriate. However, as indicated in the BBC Charter Review Green Paper published earlier this year, the Government are considering what improvements might be made to the collection arrangements.

Dr. Pugh: I thank the Minister for that somewhat bland answer, but what does he make of TV Licensing harassing a pensioner couple in my constituency—threatening them with court action, fines and enforcements visits in December, January, February, March, June and August, with each letter becoming even more threatening? All that is despite the fact that they do not actually have a television and have told the company so. Is that no longer a valid excuse, or does the BBC need every penny it can get?

James Purnell: I have looked at the hon. Gentleman's correspondence and I have sympathy with him and his constituents. He may not be happy with the bland constitutional settlement that we have reached on this issue, but it is for him to address the governors about it. We will look further into the matter in the context of the White Paper and I am sure that the governors should look carefully into the problem that the hon. Gentleman has described.

Mr. Gregory Campbell (East Londonderry) (DUP): There are areas where licence evasion rates are much higher than the national average, especially in parts of Northern Ireland. If TV Licensing is aware of every dwelling where there is a television set, as its advertising says, and if it is also aware of the location of every valid licence, will the Minister announce a severe crackdown on those areas where evasion rates are higher than the national average and publicise them so that people know that there will be a crackdown in areas where evasion is highest?

James Purnell: The hon. Gentleman is right to say that the evasion rate is higher in Northern Ireland, and we could all speculate on the reasons for that. In the end, it is for TV Licensing to make those decisions; it is not for me to decide on its prosecution policy, but it has managed to decrease the evasion rate from nearly 13 per cent. in 1991 to 5 per cent. in 2005.

Mr. Dennis Skinner (Bolsover) (Lab): Will the Minister tell the BBC that if it goes ahead with its proposal to increase the licence fee 2.3 per cent. above inflation for several years in succession, the chances of more people taking part in that evasion will rise astronomically? It is time that somebody put their foot down and told the BBC it had better keep in line with inflation.

James Purnell: My hon. Friend makes a good point. We shall be scrutinising the BBC's proposals in detail and have hired consultants to look at them. My hon. Friend can be reassured that we shall not be soft on the BBC's costs.

Hywel Williams (Caernarfon) (PC): What assessment has the Minister made of the service in Welsh provided by TV Licensing in Bristol? Last week, after complaints from constituents, I telephoned TV Licensing five times. I was put on hold five times, listened to the abysmal music played on such occasions five times and, thankfully, was eventually cut off. Does the Minister agree that to all intents and purposes the Welsh language service does not exist?

James Purnell: I cannot promise that I have made a detailed assessment of that service, but I am happy to look into it. I am very happy if Members want to suggest better music to the BBC or indeed make any other representations.

2012 Olympics

7. **Mr. Philip Hollobone** (Kettering) (Con): If she will extend the current lottery franchise to 2014 to take account of the role of the lottery in funding the 2012 Olympics. [20220]

The Minister for Sport and Tourism (Mr. Richard Caborn): No, because we believe that a well run third licence competition is the best way to ensure that we maximise returns for good causes, including the Olympic draw. That is what is happening. The National Lottery Commission is busily preparing a statement of main principles which will be published early in November.

Mr. Hollobone: Given that of the £2.3 billion that the Olympic games will cost, £1.5 billion is to be raised from the lottery, what assessment has the Minister made of the risks of that £1.5 billion not being raised; and can he tell the House when he intends to publish the funding plan agreed between Her Majesty's Government, the regulator and the operator?

Mr. Caborn: This has been subject to wide-ranging debate in the House. We have carried out financial modelling, which was scrutinised by the International Olympic Committee. The committee and the House were satisfied with the modelling, so we have no reason to depart from it. To date, the lottery has been highly successful in terms of the Olympics. The response has been fantastic and we have already banked the first £3 million for the Olympics. Camelot was surprised at the take-up and had to reprint earlier than anticipated. Everything shows that the Olympic draw is successful; people are buying the scratchcards, so we do not believe that we need to depart from the statements made to the House a few weeks ago.

Mr. Andy Reed (Loughborough) (Lab/Co-op): As the Minister knows, I supported the establishment of a lottery specifically for the Olympics, but with the proviso that there should be some assessment of its impact on sports funding as a whole. Given the possibility of an extension of the franchise, will my hon. Friend keep a close eye not just on what the lottery is doing for the Olympics but also on the lottery funding available for sport overall? It would be a great shame if we made enormous strides for the Olympics and the developments for sport, but lost out on grassroots and club sport.

Mr. Caborn: That is true and we shall continue to review the situation, not just for sport but for all good causes. It is important that we keep a balance. We told the House what we anticipated that the displacement would be, on advice from several parties including Camelot, and we have no reason to depart from that. The figures presented to the House some months ago still stand and there is no evidence to show that we should depart from them.

Hugh Robertson (Faversham and Mid-Kent) (Con): Given the point just made by the hon. Member for Loughborough (Mr. Reed), given that the Olympics is a national one-off event, and given that the Government

specifically excluded the Live Aid concerts, is there now not an overriding case for going back to the Chancellor of the Exchequer and reclaiming the £320 million that the Government propose to take in tax from the Olympic lottery games and ploughing it back into sport for legacy issues?

Mr. Caborn: I will always go back to the Treasury and see whether we can get more money into good causes and particularly into sport, but I want to make it perfectly clear to the House that all our financial modelling, which we presented to the House and in the candidate file to the IOC, was modelled on the fact that that tax would be paid. That does not detract from the soundness of the financial case that we put. If we can get another £300 million from the Chancellor, I would be delighted, as always, to bring more money to sport. We have asked that question, and the answer has been no. We will continue to make representations—not just on that tax, but on many other issues.

May I just put it on the record that the Government have invested more in sport than any Government have done for many years? I am extremely proud of that, and nit-picking, such as that in which the hon. Gentleman is engaged, does not fit a Government who have put more into sport than any other Government.

CHURCH COMMISSIONERS

The hon. Member for Middlesbrough, representing the Church Commissioners, was asked—

Building Faith

1. **Ben Chapman** (Wirral, South) (Lab): If he will make a statement on "Building Faith in Our Future". [20206]

The Second Church Estates Commissioner (Sir Stuart Bell): Since publication, we have been developing new ways of working with many partners, but the outstanding church building repair need—£373 million—is substantial. Departments, led by the Department for Culture, Media and Sport, are planning a formal response and we look forward to building upon it.

Ben Chapman: I encourage my hon. Friend to ask the DCMS to provide a quick and positive response to this very timely initiative. Will the funds available under the report be provided not just for the sustainability of church buildings, but for building inter-faith cohesion that provides, for example, urban-rural exchanges, exchanges between faiths and anything that breaks down barriers in our local communities?

Sir Stuart Bell: I am grateful to my hon. Friend for that question. The whole tone of "Building Faith in Our Future" is multi-faith and intended to promote rural-urban exchanges. On the distribution of funding, I have had extensive discussions with the Archbishops Council and the Bishop of London on how best to bring "Building Faith in Our Future" into the highest reaches of government, and I shall seek a meeting with the Chancellor of the Exchequer shortly.

Tony Baldry (Banbury) (Con): It must be a fact that the Church Commissioners face an increasing problem with funding clergy pensions, so church building repairs will come after that. Does the hon. Gentleman agree that if we are to maintain the fantastic architectural heritage of parish churches across the country, we need more than the DCMS just making a response or a statement? We need a clear commitment from the Chancellor of the Exchequer that there will be a fund to maintain the fabric of parish churches; otherwise, many of them will start to fall into serious disrepair.

Sir Stuart Bell: I am grateful to the hon. Gentleman for that question. Church architecture has been described as the most supreme expression of English architecture, and he is right in the sense that church buildings are among the greatest tourist attractions in the country. In 2003, 86 per cent. of the population visited a place of worship. The reason why we want to see the Chancellor of the Exchequer is not only to explain the document, but to get a commitment from the Government that there will be church state funding and that it will spread beyond all Departments.

Chris Bryant (Rhondda) (Lab): My hon. Friend will know that one of the people who will have to take the report forward is the new Archbishop of York, John Sentamu. Did my hon. Friend notice over the weekend the reports of the horrendous racist abuse that the archbishop has received in the form of e-mails and letters—some covered in excrement? It has been extremely distressing for him and his family. Will my hon. Friend take this opportunity of wholeheartedly condemning that, and pointing out that some who maintain that they are Church members cannot be faithful members of the Church if they adhere to such beliefs?

Sir Stuart Bell: I am grateful to my hon. Friend for drawing that to our attention. It is a despicable aspect of our society, with which the archbishop has to live. However, the good news at the weekend is that he will be enthroned in York, there will be 3,000 people at the enthronement and there will even be a picnic. It is a moment of rejoicing, and he and the Church will overcome the sort of abuse that my hon. Friend described.

Cathedral Properties

3. **Robert Key** (Salisbury) (Con): What assessment the commissioners have made of the consequences for English cathedrals of the leasehold enfranchisement and sale of their domestic rented properties. [20208]

The Second Church Estates Commissioner (Sir Stuart Bell): May I at the outset congratulate the hon. Gentleman on his election to represent the diocese of Salisbury in the new General Synod to be inaugurated by Her Majesty next month? On his question, the Church Commissioners have made no such assessment, but I am open to his suggestions.

Robert Key: I am grateful to the hon. Gentleman for his remarks. Is he aware that the Government have cut the grant to English Heritage, which in turn has had to

cut the grant to English Cathedrals? Many English cathedrals have for years depended on rental income from their properties in their cathedral closes, notably at Salisbury and Norwich, but does not new legislation mean that those leaseholders have the right to purchase those properties, thus depriving the cathedrals of their only income? That is a paradox that I hope the Church Commissioners will address urgently. Will the hon. Gentleman mention the matter to the Chancellor of the Exchequer when he visits him?

Sir Stuart Bell: I am grateful to the hon. Gentleman. The Leasehold Reform Act 1967 is engraved in my heart, as I was studying for the Bar at the time. It was reformed by the Commonhold and Leasehold Reform Act 2002, which enabled the situation described by the hon. Gentleman to develop. I recall that he pointed out at the time the danger of that happening. If there is a weakness in that legislation, he may seek to rectify it in the Charities Bill; he may seek the help of the Association of English Cathedrals; and he may also seek my help.

ELECTORAL COMMISSION COMMITTEE

The hon. Member for Gosport, representing the Speaker's Committee on the Electoral Commission, was asked—

Postal Voting

4. **Mr. Philip Hollobone** (Kettering) (Con): What steps the commission plans to take to increase public confidence in voting by post. [20209]

Peter Viggers (Gosport) (Con): The Electoral Commission takes the view that a key element in increasing public confidence in postal voting is improving the security of the process. Since 2003, the commission has therefore made a series of recommendations for changes to electoral law, which are designed to improve the security of postal voting in Great Britain. The commission welcomes the fact that the Government are taking forward many of its recommendations in the Electoral Administration Bill, which is due for its Second Reading in the House tomorrow, although it is disappointed that the Bill does not provide for the introduction of full individual voter registration in Great Britain.

Mr. Hollobone: In the Kettering constituency, some 16,000 voters are registered to vote by post, which is one of the highest proportions of the electorate anywhere in the country. Nevertheless, that is still a small percentage of the 81,000 voters who could do so. I congratulate my hon. Friend on identifying the point about secure individual voter registration. Only if that is put in place by the Government can voters have full confidence in the system of voting by post.

Peter Viggers: Yes, it is true that registration for postal voting varies considerably, for example, from 45 per cent. in Newcastle to 3.1 in Glasgow, East. Similarly, turnout varies considerably. In my hon. Friend's constituency, I believe that the turnout of postal voters was 60 per cent., compared with an average across the United Kingdom of 76 per cent. It is alarming that in its report on participation in the 2005 general election, the Electoral Commission reported that, for the first time, research showed that the number of people rating postal voting as unsafe was higher than the number of people who rated it as safe.

Mr. Patrick McLoughlin (West Derbyshire) (Con): Has the Electoral Commission done any work on the number of postal votes that arrived after the poll in the general election was closed? That would be an interesting figure, bearing in mind some of the complaints that were made about the problems of getting out the postal votes in the first instance.

Peter Viggers: I congratulate my hon. Friend on finding a point that is not covered in my copious briefing. I will brief myself immediately after Question Time.

CHURCH COMMISSIONERS

The hon. Member for Middlesbrough, representing the Church Commissioners, was asked—

Octavia Hill Properties

5. **Kate Hoey** (Vauxhall) (Lab): How the commissioners will honour the restrictive covenant on the Octavia Hill properties. [20210]

Sir Stuart Bell: I congratulate my hon. Friend on so ably articulating the concerns of her constituents in Octavia Hill. I know that she has been to meetings with clergy and residents. The covenants to which she refers expired in the late 1970s.

Kate Hoey: Does my hon. Friend think that Octavia Hill, who was a wonderful woman and a Christian socialist who devoted her life to the poor of inner-city areas, would be turning in her grave if she knew that the Church Commissioners had decided to sell off the rest of their properties? Will he guarantee that if the Church Commissioners sell off the rest of those properties, they will do so to a registered social landlord and not to a 50:50 partnership between a social landlord and a private landlord, as has already happened? Will he guarantee that rent levels will be protected? Does he agree with my constituent, who is a tenant of the Church Commissioners—and who was very proud to be a tenant of the Church Commissioners until now—and who wrote to me this week:

"Is this what the church has become? Has money now become so important that you are willing to destroy a community that you have always protected?"?

Sir Stuart Bell: I am grateful to my hon. Friend for mentioning Octavia Hill, who was a great associate of John Ruskin. She died in 1912, but the socialism to which she aspired and which she inspired has certainly endured for many a year.

On my hon. Friend's specific questions, we are a long way from a new owner. In the past, the new owners of properties sold by the commissioners have not changed the inherited rent increase policy or issued any statement regarding future policy on rent increases.

The commissioners have never been social landlords and they will act in accordance with the law on the sale of freeholds, although I stress that we have not yet begun to talk to any potential new owners.

On openness with tenants, I cannot give my hon. Friend or her constituents any more information, but they will be informed of every step on the way.

Simon Hughes (North Southwark and Bermondsey) (LD): The hon. Gentleman knows that in my borough, Southwark, as in the next-door borough of Lambeth, a considerable number of people are tenants of the Church Commissioners. Can he assure me that none of them will lose their homes, that none of them will have their homes transferred to a landlord without their agreement and that the Church will continue to take responsibility for people on the lowest incomes, irrespective of whether it feels obliged to remain as their landlord?

Sir Stuart Bell: I refer the hon. Gentleman to the Church Commissioners' track record on these matters. He knows that we sold properties in Stoke Newington, Maida Vale and Waterloo earlier this year and, as I have said, the new owners determined their own rental policies. However, I stress that that sale involved the freehold only and that existing tenancy arrangements were unchanged. The Church Commissioners will listen to all the points raised by tenants, but they have a statutory obligation to manage their funds in the interests of the Church, in the interests of those who receive moneys from the Church and in the interests of the cure of souls.

Commission Land

6. **Miss Anne McIntosh** (Vale of York) (Con): How much land the commission owns; and what its total value is. [20212]

The Second Church Estates Commissioner (Sir Stuart Bell): The commissioners' landholdings total approximately 122,000 acres, and they were valued at £317 million in December 2004. They form part of a property portfolio valued at £1.3 billion in December 2004.

Miss McIntosh: Given the hon. Gentleman's earlier remarks, may I take this opportunity to repeat my congratulations to the incoming Archbishop of York, who will be made to feel most welcome in the district?

How many of the landholdings have been added to or taken from the overall property portfolio? How many properties are included in that portfolio, and what is the annual cost of maintenance?

Sir Stuart Bell: As the hon. Lady knows, the Church Commissioners publish their annual accounts every year, and those accounts include all the information to which she has referred. If any particular item is not included in those reports, I will be happy to send her the information in the post, if I can find it.

Mr. Andy Reed (Loughborough) (Lab/Co-op): I am sure that my hon. Friend is aware of the increasing pressures on clergy. In my own benefice, for example, we have three churches, but no vicar. My hon. Friend has mentioned £317 million of land property. Can he guarantee Church members in struggling benefices, and in my benefice in particular, that the Church Commissioners are getting value for the land that they are maintaining, that they are ensuring that existing clergy are put into post in places where they are needed, and that the pension pot, the maintenance of which is vital for the recruitment of clergy both now and in the future, is being adequately topped up?

Sir Stuart Bell: I am grateful to my hon. Friend. As he knows, we passed a pension measure some years ago that transferred the burden of pensions to the diocese, but of course we maintain a responsibility to those who were in post at the time. It is a changing scene in terms of land values, dioceses and parishes. Where there are weaknesses we seek to rectify them, and where we can be positive we seek to be so. It is a major matter. The commissioners' assets are £4.3 billion, which require oversight. Any point that is made on the Floor of the House is carefully taken into account, as will be that raised by my hon. Friend.

John Bercow (Buckingham) (Con): Does the hon. Gentleman agree that the juxtaposition of huge landholdings with patently inadequate pension provision for retired clergy persons is a standing disgrace and an indictment of the commissioners?

Sir Stuart Bell: If I may refer back to my law practice, the two are not mutually exclusive, so we can link them together if the hon. Gentleman so wishes. However, each one is a separate problem and must be dealt with separately.

Opposition Day

[8TH ALLOTTED DAY]

Railtrack

Mr. Speaker: We now come to the main business—Opposition day, eighth allotted day, on the Government's handling of decisions relating to Railtrack—*[Interruption.]* Order. Perhaps the hon. Member for Stockport (Ann Coffey) could keep quiet.

Before I call the hon. Member for Rutland and Melton (Mr. Duncan), I inform the House that I have selected the amendment in the name of the Prime Minister.

I remind the House that last week the matter of the evidence of the right hon. Member for North Tyneside (Mr. Byers) to the Transport Sub-Committee was referred to the Committee on Standards and Privileges, so Members should not refer in this debate to matters that will fall to be judged by that Committee.

3.31 pm

Mr. Alan Duncan (Rutland and Melton) (Con): I beg to move,

That this House deplores the lack of openness and transparency of the Chancellor of the Exchequer and Ministers at the Department for Transport, Local Government and the Regions in their plan to restructure Railtrack; questions the Government's propriety in the method by which they sought an Administration Order for Railtrack; condemns their attempted intimidation of the Rail Regulator; abhors their cavalier and dismissive contempt for Railtrack shareholders; criticises the conduct of the Chancellor of the Exchequer's special adviser for usurping the proper role of Ministers; notes that the Government's approach to the entire project was dictated by the Chancellor; and considers this episode an example of disgraceful impropriety in the formation of policy and the execution of government decisions.

Thank you, Mr. Speaker. I think that the House will respect the fact that the right hon. Member for North Tyneside (Mr. Byers) has chosen to come to this debate, although that sits in stark contrast with the obvious absence of the Chancellor of the Exchequer, who is mentioned in the motion.

This debate is about one thing and one thing only—the conduct of new Labour in Government. It is about the way in which the decencies and proprieties of how we are governed have been bypassed, corrupted and polluted. It is about the erosion of independence in the civil service, the abuse of power by Ministers, the arrogance of unelected advisers, and the institutionalised contempt displayed by new Labour to the power and authority of Parliament.

Mr. Kenneth Clarke (Rushcliffe) (Con): That is my speech.

Mr. Duncan: My right hon. and learned Friend is very kind. We all have a treat in store when he winds up later. He will do greater justice to this matter than even my hard work in researching it.

This debate is about how the sorry episode of Railtrack's demise illustrates all the faults that I have listed, and it is about why the Government are so profoundly culpable for what they did. Today's debate—as we understand your ruling, Mr. Speaker—is not about matters that are being considered by the Standards and Privileges Committee. We are acutely aware of the important dividing line that separates the issues that we are focusing on and the issues being considered by that Committee. We will be extremely careful, Mr. Speaker, not to trespass on the accusations against the right hon. Member for North Tyneside that will be considered by the Committee. There is no need to do so; the guilt of this Government is palpable and can be proved without any such reference.

Nor is this debate about the Railtrack shareholders' case against the Government. As the judge made clear, he was required to adjudicate only on the one specific charge of misfeasance—an accusation that presented a very high legal hurdle, namely, that the then Secretary of State had acted with targeted malice. Far from vindicating the Government in all respects, as they try to claim, the court case merely excused them from that one extreme and specific charge. The judge was not asked to undertake a review of the Government's conduct, nor to express any opinion on their actions more generally. As the judge categorically made clear, that is the duty of this House; a duty that we now face.

It is not as though the judgment was uncritical. Even about the right hon. Member for North Tyneside, Mr Justice Lindsay inimitably said:

"His explanation as then given seemed to me to be little above gibberish, but it will be for Parliament to assess what he meant."

Indeed; Parliament will assess what the right hon. Gentleman meant. Parliament must now also assess the Government's wider conduct. Even the Government's counsel said:

"This case . . . has aroused intense political interest but, Your Lordship, it is not a political tribunal, or even in this case a court of judicial review, and the question therefore is not whether this decision was wise or careful or fair or reasonable or procedurally sound, it is simply whether it was malicious."

The court case left many aspects of the despicable issue unscrutinised, and it is now our duty to engage in that scrutiny.

All of us in the House face a test—a test of moral probity. We can choose simply to follow the party line or we can exercise our conscience on this matter of justice and take the necessary steps to remove from our Government those whose standards have fallen so grievously low. This House is the place for the redress of grievance. That is what we must now do. As the chairman of the shareholders action group said after the court case:

"We now look to Parliament to hold the Government and"—

he said "Stephen Byers"; we say the right hon. Member for North Tyneside—"to account." We must not dash their hopes.

Despite the Government's amendment, the debate is not about the merits and demerits of how Railtrack is or was owned. We are not here to discuss the intricacies and rights and wrongs of who owns the railways. Any attempt to turn the debate into one about who should own the railways, or even to say that Railtrack was failing to perform well, would be utterly outside the debate's intended remit. Any such attempt would be a diversion from the focus of the motion, which is entirely to do with the Government's conduct.

[Mr. Duncan]

The debate and the action that must follow from it are entirely about the corruption of the proper process of government by the then Department for Transport, Local Government, and the Regions, the absent Chancellor of the Exchequer, the Treasury and even the Prime Minister.

Mrs. Ann Cryer (Keighley) (Lab): Will the hon. Gentleman and the Conservative party accept some responsibility for the creation of Railtrack and thus the deaths of a number of people due to lack of maintenance by that organisation?

Mr. Duncan: That is not a debate for the Chamber today. We are discussing the conduct of the Government, not the merits of Railtrack.

The House, by election and majority control, lends authority—

Mr. John Spellar (Warley) (Lab): Will the hon. Gentleman give way?

Mr. Duncan: Yes. Here is one of the culpable ones.

Mr. Spellar: I can understand why the hon. Gentleman does not want to consider the conduct of Railtrack, which, as the judge rightly said, was lamentable, and was not only failing on the ground of safety but sending the business towards bankruptcy. Why does he not want to defend his Government's creation?

Mr. Duncan: I am defending the motion, which outlines a charge against the right hon. Gentleman and others of what I believe to be grave misconduct in the Government. By the end of the debate, he will have no excuse to rise to his feet again.

We have, over centuries, established proper and abiding procedures for scrutinising the conduct of the Executive. Parliament and its many Governments have earned an enviable reputation in the world for honesty and incorruptibility in our dealings. That is why we have a ministerial code, which makes it clear that announcements should be made in the House. Policy should be clear and openly expressed; that is why we have Green and White Papers. Significant changes in policy and significant decisions should be explained to the House.

Let me trespass for a moment on the comments of the hon. Member for Keighley (Mrs. Cryer). It is as far as I will go today, but let me at least show her that courtesy. The debate about private versus public ownership has been at the heart of political difference for decades, if not centuries. In some respects, it defines the difference between left and right. However, today's debate is not the place for that argument. Our motion is only about the process of government and the conduct of Ministers and officials when the Government took back ownership of Railtrack.

We have, to some extent, been here before. My right hon. Friend the Member for Maidenhead (Mrs. May) led a debate on the matter on 13 Nov 2001. In many respects, she made a remarkable speech because within weeks of Railtrack's demise, thanks to the thoroughness of her research, she asked some extremely prescient questions. Five years later, we can see that she homed in on exactly the right details and that she received in response evasive, mealy-mouthed and inaccurate answers.

Now, we know much more than we did then. During the High Court case this summer, a mountain of incriminating evidence was presented to the court and a stream of letters and meeting notes have been additionally released to me and to others. All that evidence shows a catalogue of impropriety—a deceitful plan to manoeuvre to present Railtrack as insolvent, and so force a railway administration order on the company as a means of getting it back for free.

The Secretary of State for Transport (Mr. Alistair Darling): The hon. Gentleman said at the outset that he wished largely to ignore the judgment and I can see why. It would be highly inconvenient for him if he did take it into account. Does he accept that all this evidence and all these documents were laid before the court, that the court was invited to find that the Government, Ministers and others had acted improperly, and that the judge found the complete opposite?—*[Interruption.]* No wonder the hon. Gentleman is seeking advice. The whole basis on which he is constructing his case seems to be falling apart before he gets going.

Mr. Duncan: The Secretary of State could not be more wrong and he knows it. The evidence before the court was to prove one particular aspect of the alleged misbehaviour of one person, the right hon. Member for North Tyneside. It was nothing to do with the conduct of the Government more generally. The judge specifically said in his judgment that it is for Parliament to adjudicate on the conduct of the Government. That is what we are doing today.

Mr. Darling: I am sorry, but the hon. Gentleman has either not read the judgment or has drawn the wrong inference from it. The judge, in respect of the evidence given in court by my right hon. Friend the Member for North Tyneside (Mr. Byers), said that that was a matter for the House of Commons. However, in his judgment he examined every piece of evidence put before the court, which of necessity meant examining the background against which Ministers acted, and he found at no stage that anyone in the Government had acted improperly. Surely the hon. Gentleman must accept that, unless he is saying that he does not accept the judgment.

Mr. Duncan: That was a nice try, but again it is completely wrong. As the Secretary of State well knows, the judge was only looking at the specific allegation put to the court about the conduct of the right hon. Member for North Tyneside when he was Secretary of State, which may explain why the Government's own QC accepted as evidence everything offered by the rail regulator in court, which I believe I will prove is damning for the Government.

It is clear that one thing that the Secretary of State and his predecessors ruled out was formal renationalisation. They believed it to be too expensive. They were not prepared to renationalise the company because they

wanted it for free. It is as though they have got rid of their clause IV, but secretly replaced it with clause V. No more overt nationalisation of industry—replace it with the covert nationalisation of industry. No more budgets for nationalising a company—use clause V and simply pinch it.

However, the right hon. Member for North Tyneside was merely the front man for that; the real puppet master was in the Treasury. Crucial to the Chancellor's involvement was the aggressive and insensitive figure of Shriti Vadera, dubbed by Martin Sixsmith "Gordon's representative on earth." It was she who codenamed the plot Operation Ariel. It was she who first asked, and I quote from an e-mail of 31 July:

"Can we engineer the solution through insolvency?"

That was not something that the judge had to study and to judge upon. It is only now clear what a central role the Chancellor played in the whole plot.

The right hon. Member for North Tyneside told the High Court about a special list that had been nicknamed the 10 commandments—10 conditions that needed to be satisfied before the plan to crush Railtrack was hatched. Can we guess who the 10 commandments came from? Yes, they came from the Chancellor—and it gets better. I have obtained from the Permanent Secretary at the Department for Transport minutes of a very interesting meeting in September 2001, where further details of the plot were discussed behind Parliament's back. Let me quote a small part of the official record of the meeting. It states: "The Secretary of State"—to us, the right hon. Member for North Tyneside—

"asked when the Chancellor would be in a position to be able to agree his questions had been answered satisfactorily. Shriti Vadera thought this should be possible next Wednesday."

That shows that the Chancellor was in this up to his neck.

Abundant evidence was produced in the court case showing that from the very beginning of 2001—six months before the right hon. Member for North Tyneside became Secretary of State—the Government planned to seize Railtrack's assets and use railway administration as the means to that end. The papers show that right up to the day before they went to court—7 October 2001—the Government were seriously worried about not having adequate evidence of Railtrack's insolvency. Again, I could give the House scores of examples in which it is abundantly clear that that was so, but I shall offer only a few.

On 3 August, the right hon. Gentleman wrote a memo to the Prime Minister in which he deals with options for dealing with Railtrack. He talks of the not-for-profit trust, which became the company limited by guarantee option, which was soon after adopted, saying:

"The option of a not-for-profit trust has attractions as a non-nationalisation alternative to a failed private sector solution."

The House knows that to be lawful a Minister may use statutory powers, such as the power to apply for an administration order, only for the purpose for which they were conferred. The administration power of the Secretary of State was given to him by Parliament to enable him to react to the insolvency of a railway company. In the present case, the evidence is overwhelming that the right hon. Gentleman used—I would say misused—his powers to try to create that insolvency.

Mr. Spellar: Will the hon. Gentleman give way?

Mr. Duncan: The right hon. Gentleman is welcome to intervene, but he is getting into ever deeper water because he is one of the guilty band.

Mr. Spellar: Is it the hon. Gentleman's argument that Railtrack was solvent and had good prospects and that its managers would have been able to make a statement to their half-yearly meeting that it was able to continue trading solvently?

Mr. Duncan: For reasons that I shall explain in due course, the water is becoming ever deeper for the right hon. Gentleman.

Mr. Spellar: Surely it would be easier for the House if the hon. Gentleman answers now.

Mr. Duncan: Unlike the right hon. Gentleman, I am happy to advance a logical argument according to a logical structure.

The right hon. Member for North Tyneside continued:

"We have work in hand to ensure we are ready to use the railway administration procedure if necessary. We could be forced down this route by events or"—

this is crucial

"we could choose to go down it as an interim step to an eventual solution. It is clear that we ought not to contemplate taking Railtrack into administration, which we could achieve by withdrawing Government support, without being equally clear about how we would like it to come out of administration".

Is that the language of reacting to Railtrack's alleged insolvency, or of wanting to create it?

On 23 August 2001, Mr. Dan Corry, special adviser to the Secretary of State, e-mailed a civil servant in the Department for Transport, Local Government and the Regions, saying:

"I have spoken to SOS about where we are getting to . . . He is very attracted to the option of pushing them"—

that is, Railtrack

"into administration. It does not cost too much, allows us to signal a big change."

Pushing?

Then, we have the infamous minute provided to the Secretary of State by Mr. Rowlands, now the permanent secretary at the Department for Transport and then the No. 2 in the Department, on 31 August 2001. He deals with how to take out Railtrack using the mechanism of railway administration. He writes:

"Under the legislation, however, Railtrack's funding and obligations are matters for the Regulator. We cannot see a way of proceeding without sidelining him."

The next part looks like options, including a "very short Bill" to give the Secretary of State "power to issue directions" to the regulator, which

"would remove his ability to frustrate Ministers' chosen solution."

[Mr. Duncan]

On 13 September 2001, there was a meeting with the Secretary of State and his civil servants. The private secretary's note records the discussion. Mr. Linnard says

"if pull plug, may not collapse straight away."

Clearly, the Government wanted the company to collapse and were disappointed that it might not. He goes on to explain, "risk RT"—that is Railtrack, and then there is a reference to the rail regulator—

"go to Court. Unreasonable. Got right of appeal to"—

rail regulator—"under law." That is a damning minute.

Mr. Darling: Will the hon. Gentleman give way?

Mr. Duncan: I leave it to the Secretary of State to intervene if he wishes to do so.

Mr. Darling: I wish to intervene because, contrary to all the evidence, the hon. Gentleman is trying to make a case that Railtrack was solvent, was a going concern, that there was nothing really wrong with it and that there was a conspiracy to bring down a healthy company. As I shall demonstrate shortly, that is not quite the case. I am wondering how the hon. Gentleman can square what he says with a letter that was sent to the Department in March 2001 from Railtrack, which states that on its own analysis, on the day when its shares were trading at 800p a share, the company thought that they were worth 60p a share. Does that not suggest that there was something wrong with the company?

Mr. Duncan: Again, that is irrelevant to the case that we are making. The fact that it was a fairly lousy company in the eyes of the Secretary of State does not excuse him from the conduct that I am demonstrating.

Mr. Darling: I have my answer.

Mr. Duncan: The right hon. Gentleman says that he has his answer. I shall let him intervene in a moment. I want to present my case. The right hon. Gentleman has forgotten one crucial ingredient and that is the rail regulator. A clear picture emerges of the Government—

Mr. Darling: That was not my assessment; that came from Railtrack. It said that at a time when people were being allowed and encouraged to buy shares at 800p a share, the company thought that the value of the company meant that they were really worth about 60p a share. That is not my judgment but the judgment of Railtrack.

Mr. Duncan: Again, the Secretary of State is missing out a crucial ingredient in the propriety of Government conduct, which is the relationship between the regulator and what they said to the court. As I have already begun to build up in the case—there is more to come, which will make the right hon. Gentleman even less comfortable—a clear picture has emerged of the Government's intention to engineer insolvency, combined with an understanding of the regulator's power to stop it.

Mr. Spellar: Will the hon. Gentleman give way?

Mr. Duncan: Not now; I will not give way for the moment.

We can see also that there was another aspect. The Renewco deal, which was to bring £1.5 billion in Government grants to Railtrack in 2001 instead of 2006, presented problems for the Government because they were committed to using their best endeavours to set it up. Mr. Linnard says in the meeting:

"SRA thinks we're going to do Renewco."

That is the Strategic Rail Authority. Sir Richard Mottram replies: "Slow it down." Then the right hon. Member for North Tyneside says that

"in relation to the chance that Railtrack will appeal to the rail regulator for additional funding"—

this is a crucial point that the Secretary of State is trying to deny—

"PM wants Regulator out of it."

On 14 September 2001, Mr. Linnard—No. 3 in the Department—writes a further note to the Secretary of State discussing taking Railtrack out and replacing it with what he refers to as a "non-equity solution", a euphemism if ever there were one. He writes that

"the non-equity solution could only be achieved through railway administration."

So we see railway administration being used as a means to an end—the end being seizing Railtrack's assets and taking out a FTSE 100 company by the back door. That was political assassination writ large.

Mr. Spellar: The hon. Gentleman is obviously not taking account of paragraph 64 of the judgment, where it says:

"A Railtrack note, prepared for John Robinson (the new chairman) in June 2001 stated that the situation was worse than expected. Neither the Regulator nor Railtrack could estimate the costs of running and maintaining the infrastructure with any certainty, the assumptions on which the [prior financial] settlement with the Regulator were completely unworkable, major cost over-runs ... were still not under control, Railtrack's bloating operating costs were not being addressed. If the subsidy and pricing regime was left unchanged, the company was heading for liquidation."

Is the hon. Gentleman not building his case on very unsure foundations? He is trying to demonstrate that this creation of a Tory Government—Railtrack—was solvent when its own people were telling it that it was not.

Mr. Duncan: The right hon. Gentleman's argument goes crashing to the ground when we realise that the independent rail regulator estimates that the Government's administration programme for Railtrack has cost the taxpayer £14 billion, which is eight times the Government's worst estimate of Railtrack's deficit.

Mr. Darling: Will the hon. Gentleman give way?

Mr. Duncan: One more time. The right hon. Gentleman will have an opportunity to respond.

Mr. Darling: The hon. Gentleman says that the regulator is crucial. Again, he is trying to make a case

that there was nothing basically wrong with the company. When he looked through the documents lodged in court, he would have seen a letter from the then chief executive of Railtrack, Steven Marshall, dated 29 June 2001, to the then rail regulator, Tom Winsor. He said: "You"—the rail regulator:

"went on to reassure us that if Railtrack was on the cliff edge, you would not be seeking to push it over."

He went on:

"The cliff's edge is closer than you may realise—the Board is obliged to take a view of the company's solvency on an ongoing basis and explicitly on 'going concern'".

Does not that suggest that there was something very wrong with the company in June 2001, as well as earlier in the year?

Mr. Duncan: There was a lot wrong with the company, but there was even more wrong with the conduct of Ministers and officials in the way in which they tried to address the problem. That is the case that we are laying out.

Shortly after Mr. Linnard's memo, the Secretary of State sent another communication to the Prime Minister and the Chancellor, in which he said:

"Our advisers say they have unearthed no killer facts which I could use to force the company into railway administration. And Counsel has warned that a contested petition for administration would be seriously risky and therefore to be avoided."

Is this the language of reaction to insolvency? It is clear that even then they did not think that Railtrack was insolvent. Plainly, the Government were misusing their powers.

On 25 September 2001, the Government's investment bank advisers began to get cold feet about the plan to cut the company's financial lifeline by extinguishing the independence of the rail regulator. Mr. Challen of Schroders wrote to Mr. Rowlands and Shriti Vadera:

"Furthermore we remain (as laymen) surprised that the Government can, with impunity (albeit through a Parliamentary process), remove the effect of a key component of the regulatory regime on the basis of which shares were sold, shares have been traded and contracts have been entered into."

On 26 September 2001, Mr. Rowlands again minuted the Secretary of State as suggesting:

"short paving legislation . . . making the Regulator subject to Ministerial direction, so that he could not use the discretion available to him under current statute . . . to frustrate Government's new approach to Railtrack."

The next day, the Secretary of State met his officials, together with Mr. Adonis—now Lord Adonis—Brian Hackland of the No. 10 policy unit, Shriti Vadera of the Treasury and others. The minutes of the meeting say:

"The Secretary of State said that"—

a "short bill" to take the Regulator under direct political control was

"needed to ensure that the option of an appeal to the Regulator was closed off."

The handwritten notes of the meeting add colour to that. Mr. Rowlands is recorded as having said: "talking about closing" Railtrack's "escape route" shows that the Government are no longer behind the company, which he calls a "hammer blow". It was a meeting at which the right hon. Member for Warley (Mr. Spellar), with all his brilliance, sat. As the then Minister of State, he added that

"legislation has got to close off all options".

Does the right hon. Gentleman want to comment on that?

Hon. Members: Answer.

Mr. Spellar: I am pleased that the hon. Gentleman asks me to comment. In the face of insolvency, the Government had to take action. That is the case. Unfortunately, he seems to believe that endless public money should have been pored into that utterly unworthy enterprise. That is the basis of his case, and he criticises us for protecting public funds and the transport system.

Mr. Duncan: That was not about reacting to the company's insolvency; it was about cutting its financial lifeline, and the right hon. Gentleman has just condemned himself with his own words. Indeed, the company was not insolvent, because that lifeline was available. As it would have taken highly controversial primary legislation and a period of months in which to pass such legislation, including the use of the Parliament Act, to sever that lifeline, the Government had a major problem. How could they present the judge with a convincing case that Railtrack was already insolvent when that lifeline was still intact? They were seriously worried.

The Government knew that they were planning to use the railway administration regime for a collateral, and therefore illegal, purpose. They knew that to secure a railway administration order they had to convince a High Court judge that the company was insolvent. They knew that it was not insolvent as long as the rail regulator's jurisdiction was intact. They knew that they could not sever that lifeline without legislation, and that they could not pass such legislation in a short enough period of time, so they decided to present to the Court a case that contained serious and culpable omissions.

The anxiety at the time was graphically illustrated by Ms Shriti Vadera in another of her incautious e-mails. On 2 October, she said that the rail regulator

"is the total wild card. I hope we are all aware of the risks here . . . We cannot silence him over the weekend and if he stands up and says he has a grand plan which could keep the company"—

note the word "keep"—

"solvent, we're up the creek."

Methinks it is Gordon's representative on Earth who is up the creek now. Is that the language of a Government reacting to an insolvency, or is it the language of a Government who know that their case for insolvency is shaky or even non-existent?

On the morning of 7 October, the day on which the Government went to court, the Secretary of State had a final meeting with his officials, his outside advisers, Dan Corry and the notorious Jo Moore. The minute of the meeting shows the shakiness of the evidence of insolvency, as it records that

"work had gone on overnight to consider whether the company was solvent or insolvent."

[Mr. Duncan]

That work had been presented to counsel who, crucially, had offered the opinion

"that on the evidence before him he would expect a Judge to conclude that the company was insolvent and that a railway administration order would be made."

There was definitely a plan to engineer the artificial insolvency of Railtrack without reference to Parliament as a means of re-acquiring the company at no cost to the Government but at the expense of the shareholders. There are no two ways about it. Perhaps the most pitiful example of new Labour's attitude towards private ownership emerged during the course of the trial. It demonstrates beyond all doubt the utter contempt that Ministers and special advisers had for shareholders. I remind the House that 90 per cent of Railtrack's employees held shares in the company, and many of the shareholders were small investors, so we are not talking about big business or fat cats. Gordon's representative on Earth has described shareholders as "grannies" on many occasions. If the "grannies lose their blouses", Ms Vadera cynically observed, it would not matter, as they were only

"shareholders who had added no value to the company".

What a motley bunch—the Chancellor, his contemptuous special adviser, and the weedy lackey of a Secretary of State for Transport saying, "Yes, Gordon, no, Gordon, can I be nice to you in Cabinet, Gordon?"

Mr. Speaker: Order. The hon. Gentleman knows the conventions of the House. He should refer to the Chancellor of the Exchequer correctly.

Mr. Duncan: I am referring to his representative on Earth, Mr. Speaker.

Mr. Speaker *rose—*

Mr. Duncan: I fully accept what you say, Mr. Speaker.

Mr. Speaker: Let me put the record straight. If the hon. Gentleman wants to refer to that representative on Earth, as he puts it, he should refer to the Chancellor's representative on Earth.

Mr. Duncan: That does sound grander, Mr. Speaker. The Chancellor's representative on Earth let the cat out of the bag when she wrote in one of her memos:

"It's the American investors we have to worry about."

It is unprecedented, according to everyone I have spoken to in the House, for someone mentioned so specifically in a motion not to turn up to hear what is said. How on earth could the Chancellor, if he were here, stand up and talk about a Britain of opportunity for all, not just a few, when his representative on Earth has shown such contempt for shareholders and was worried only about American investors?

This whole sorry saga has undermined investor confidence in Government projects. It was the process of Government, the bypassing of Parliament, and secret back-room meetings that precipitated this loss of trust. All this happened at a crucial time for the Government. Private finance initiatives are the cornerstone of many Government projects, and I am sure that the Secretary of State will agree that investor confidence is critical to the success of these projects.

Let us take a look at a letter written by 22 senior City fund managers to the Chancellor in March 2002, in response to this Railtrack scandal. They said:

"There is a straightforward issue of trust. A range of Government initiatives rely on the development of partnerships between the private and public sectors . . . We believe that many of our colleagues in the private sector will now be wary of entering into such relationships and that damage has been caused to the trust that previously existed between Government and the City."

If an investment partner is so unreliable, how can anyone expect people to risk their capital when the Government have behaved so despicably in this case?

As the House knows, independence of economic regulation is of fundamental importance to the financial regime for the railway industry, especially as regards the financing of Railtrack. It was the company's financial lifeline, and it was, and remains, of immense importance. During the period up to and immediately after the administration order was made, the Government displayed two characteristics that were extremely damaging and alarming to confidence, in their actions and their iron-control mindset. They showed that they did not understand the importance of independent economic regulation and regarded it as a disposable commodity; and they showed such contempt for the constitutional significance of an independent institution that they had to devise a discreditable plan to extinguish that independence, to prevent it from interfering with their plan to seize the assets of a FTSE 100 company for nothing. What does that say about the stability of the independence of other institutions?

Since he took over as Secretary of State, the right hon. Member for Edinburgh, South-West (Mr. Darling) has been at pains to stress how important he and the Government regard independent economic regulation. On 12 June 2002, he stated:

"As the Government announced in October 2001, they have been considering whether the railways regulatory framework continues to be fit for purpose given the changing circumstances faced by the UK rail industry. The Government's considerations have been guided by . . . key overarching principles:

Providing sufficient comfort and protection to operators and lenders through independent economic regulation and in order to regulate monopoly/monopsony elements and to secure private investment in the railways at an efficient cost".—[*Official Report*, 12 June 2002; Vol. 386, c. 1262W.]

He went on to say that the Government regarded that principle as an "essential continuing requirement".

On 15 December 2003, he said:

"In a statement to Parliament in June 2002, I set out the key overarching principles for the regulatory framework for railways. Independent economic regulation was one such overarching principle for which there was an 'essential continuing requirement'. This remains the Government's position."—[*Official Report*, 15 December 2003; Vol. 415, c. 122WS.]

Having so assuredly asserted the essential importance of independent economic regulation, is the Secretary of State now going to go back on all those statements, which were intended to steady markets and reassure investors, and defend the secret Bill of October 2001 and the extraordinarily detailed plans that were put in place in the summer of 2001 to extinguish the independence of the rail regulator? Let us see how he both defends a

violent attack on independent economic regulation in 2001 and at the same time asserts that independent economic regulation is an essential continuing requirement of private investment in the railways.

There was also a rescue plan, which, as the Government were well aware, threatened their plot to take over Railtrack. RenewCo, as it was called, was a new company, and planned jointly between Railtrack and the Strategic Rail Authority. Through that mechanism, Railtrack would be able to bring forward billions in Government grants and also borrow extra money against that financial security. Does it sound like a good plan?

Mr. Darling: Who will pay for that?

Mr. Duncan: The Secretary of State mutters from a sedentary position, "Who will pay for that?" I remind him again that he has since paid far more than that in the arrangements that have followed the improper takeover of Railtrack. This was a massive threat to the Government's plot to present Railtrack as insolvent.

Again, the process of government was totally ignored by Ministers and unelected special advisers; leaked emails and memos show the true extent of the deceit and plots that were hidden from the House. We now know that in July 2001, the Chancellor's representative on Earth was writing to colleagues and asking:

"Should we be approving Renewco at this point in time when it could enable Railtrack to avoid insolvency for a while and rob us of a cleaner insolvency trigger?"

That is clear and damning evidence that the Chancellor's special adviser was seeking to block the deal. The right hon. Member for North Tyneside wrote in that crucial memo in September 2001 to the Prime Minister and the Chancellor that with regard to the RenewCo rescue plan:

"I therefore conclude that we should not proceed with it. This will hasten the onset of Railtrack's financial problems".

So there we have it—the Secretary of State for Transport was seeking to

"hasten the onset of Railtrack's financial problems".

Again, he is damned by his own words.

It gets worse, however. A central element of the Government's attempts to wreck the plan was to ensure that any RenewCo debt was classified as public sector debt. In that way, the Chancellor could refuse to agree the plan, claiming that it was unacceptable for its debts to appear on the public accounts. But what about the Office for National Statistics? It decides the classification of where the debt lies, and was therefore another obstacle for the Government. Another battering ram was needed to smash through and plough on with the plan to

"engineer the solution through insolvency".

The Chancellor's representative on Earth described the ONS in one of her e-mails as

"the joker in the pack and a deal killer".

The national statistician has confirmed, in a written reply to my right hon. Friend the Member for Maidenhead, that

"originally the ONS decided to classify 'RenewCo' as a private sector institution",

but after receiving "new information" from the Treasury, it concluded by 5 October 2001 that the company

"would be classified as public sector borrowing".

We have now seen the evidence, as it has been released to the High Court, showing precisely what was going on behind the scenes at the Treasury. We now know that officials from the Treasury e-mailed the head of public sector accounts at the ONS encouraging him to re-examine his original classification of RenewCo. The Treasury official wrote:

"A holding reply today would help. It is very urgent. Something along the lines that you want to reconsider the case in the light of this new information",

to which he might have added, "Sir Humphrey".

In the face of such damning evidence, how can the Chancellor possibly claim that his Department was not attempting to influence the classification? There is now no doubt: his order to "reconsider the case" was a deliberate strategy to wreck the rescue plan.

As the evidence makes perfectly clear, it was not the ONS advising the Treasury but the Treasury ordering the ONS around. It is time that we saw all the communications on the issue between the Chancellor's Department and the ONS.

Jim Sheridan (Paisley and Renfrewshire, North) (Lab) *rose—*

Mr. Duncan: I wonder how many Railtrack shareholders there were in the hon. Gentleman's constituency.

Jim Sheridan: I do not have a clue, but may I ask the hon. Gentleman a question? I have listened long and hard to his speech, and he has mentioned the shareholders on numerous occasions. Is he going to express any interest whatever in the role of the taxpayer?

Mr. Duncan: The hon. Gentleman does not quite seem to be the brightest. I have mentioned this three times already, but I shall explain one more time so that he understands. The amount of money that has gone into the equivalent of Railtrack since its artificial insolvency, created by the Government, is far more than was ever predicted in the worst possible scenarios offered by consultants to the Secretary of State.

Let me say more about our case against the Government. There was one more obstacle—a formidable obstacle—to the Government's secret plan: the independent rail regulator. I emphasise the word "independent", as the holder of that office, established in 1993, oversees the economic regulation of the railways. Independence from the Government has always been critical, but the Government were very worried. Ministers and special advisers were quaking in their boots. Why? Because in situations that were difficult for Railtrack, the independent rail regulator had power to throw the company a financial lifeline. During the summer of 2001, the office of the rail regulator therefore posed a significant threat to the Government's secret plans. Perhaps that is why Brian Hackland, head of the Prime Minister's policy unit at No. 10, e-mailed colleagues in September 2001 to ask:

"Could the regulator thwart us?"

[Mr. Duncan]

"Thwart" is a telling word. The regulator was a potential threat to the covert plan. Even the Chancellor's representative on Earth was panicking.

On 7 October 2001, the Secretary of State's officials called the High Court to secure the availability of the duty judge, Mr. Justice Lightman, to hear an urgent matter. It was a Sunday. Mr. Justice Lightman received a stack of papers from the Secretary of State's solicitors in the early afternoon, and a hearing was convened at the offices of the Government's solicitors at 5.45 pm.

As the House knows, it is the Government's duty, when engaged in any kind of litigation, to tell the whole story to the Court. They are not entitled to assume that the judge already knows the facts, and of course in this case the judge could not have known all the facts—until then, the Government had done an excellent job of keeping everything secret. It was crucial for the Secretary of State to convince the judge that the company was insolvent. If he could not do that, there could be no railway administration order—*[Interruption.]*

The hon. Member for Stockport (Ann Coffey), muttering from a sedentary position behind the Secretary of State, says that it was the Court case. It was not.

I remind the House that the legal advice that the Government had received from their own counsel was that a contested petition for administration was seriously risky and must be avoided. The advice from counsel that morning was carefully hedged. It was, I remind the House, that

"on the evidence before him he would expect a judge to conclude that the company was insolvent".

But what was the evidence before him and, more important, before the Court? And was it complete?

On 23 October 2001, the Government helpfully placed in the House of Commons Library the papers that the judge saw on 7 October 2001. The papers were also produced in the Railtrack shareholders' case. A careful examination of them reveals not only what the judge was told but, more important, what he was not told.

It appears that many extraordinary assumptions were made about the judge's knowledge of the details of the rail regulator's powers, and about the fact that earlier in 2001, he had announced that he would carry out two interim reviews of Railtrack's financial requirements in the light of the Hatfield crash. The papers given to the judge do not adequately explain the nature of the rail regulator's powers—powers to advance potentially billions of pounds more in financial support to Railtrack—or the fact that he had twice announced, in January and May 2001, his intention to carry out such a review. The judge was told nothing of that. *[Interruption.]* The Secretary of State nods his head, but he will have to make a powerful case to deny this if he himself is not to be in the dock.

The railways' economic regulatory regime is extremely complex. No judge could be taken to know about it in the detail necessary to obviate the need to inform him of the rail regulator's powers and public statements in 2001.

Mrs. Gwyneth Dunwoody (Crewe and Nantwich) (Lab): I am sure that the hon. Gentleman has studied the rail regulator's evidence. He will know that the regulator made a great point of coming before us and saying that although he had those powers, Railtrack had not asked him to use them. Indeed, the first contact was made only when he was asked for a £4 million cheque, on the weekend before Railtrack believed that it was going to become bankrupt. He was then asked if he could find the money in cash—I paraphrase his evidence, which the hon. Gentleman will have read—and he explained that that was not possible. Since then, he has slightly rewritten the way in which he gave that evidence, but the reality is surely that he made it clear that he was not asked to use those powers.

Mr. Duncan: I ask the hon. Lady to consider this issue seriously and even to contemplate revisiting it in her Committee. I believe that the rail regulator would tell the Committee that he did not protest about the insolvency because he did not believe that a case for insolvency existed, and certainly not to the point where what he would consider a dishonest case was put to the judge. That is crucial to the judgment of the propriety of what we are debating today.

As I said, the railways' economic regulatory regime is extremely complex and no judge could be taken to know about it in detail. Indeed, if he could be taken to have such detailed knowledge, why was it necessary to explain to him—in the papers given to him and in the oral hearing—much simpler and more easily accessible features of that regime: the railway administration provisions of the railways legislation?

The evidence of insolvency put before the judge was extremely thin.

Mr. Darling: Railtrack was represented at that hearing. Why did it not object to the order, and why did it not point out that there could have been a further regulatory review?

Mr. Duncan: In my view, Railtrack should have done so and is culpable for not having done so. The principal basis of the Government's case that Railtrack was insolvent was a report from Arthur Andersen, which stated:

"We have no information regarding Ariel's ability to raise additional funding via alternative sources."

The report was heavily relied upon as evidence of Railtrack's insolvency. The evidence of the then rail regulator to the High Court in the shareholders' case says that if Arthur Andersen did not know about the rail regulator's power to award additional money to Railtrack in higher access charges, someone should have told it, and in any case, someone should have told the Court.

Will the Secretary of State tell the House why the Court was not told about the availability of an alternative source of finance via the rail regulator, and whether it was assumed that a bald statement that the Government had decided to introduce a Bill to enable the Secretary of State to give directions to the rail regulator was enough to excuse the need to provide such an explanation.

Mr. Bernard Jenkin (North Essex) (Con): May I point out that the rail regulator was appointed by the Deputy Prime Minister, who was then Secretary of State for the Environment, Transport and the Regions, and that it was widely regarded as a controversial appointment? It is not surprising that Railtrack did not apply to the regulator, who was throughout the period—how shall I put it?—perhaps struggling to establish his political independence.

Mr. Duncan: My hon. Friend, having held the post of shadow Secretary of State in the past, has considerable expertise in this matter, and I hear what he says.

Why, too, one might ask, was there no mention by the rail regulator of the Hatfield statement on 15 January 2001 or again on 24 May? That provided undeniably crucial information about the willingness of the rail regulator to conduct an interim review, but it was not disclosed to the judge. The Secretary of State may say that the judge was told that the independence of the rail regulator would soon be blown away, so there was no need to tell the judge about his powers. However, the right hon. Member for North Tyneside told the House on 13 November 2001 that if the judge had known that the rail regulator had the power to do an interim review and had started the process, he would probably not have made the administration order. That is a stark admission, as it could only be because, until the rail regulator's independence had been removed and he had been stopped from doing an interim review, the company was not insolvent.

The independence had not been removed and the rail regulator showed, by his offer to Railtrack on 6 October, when senior management called the regulator to ask for a review—to be told that he was willing to start the process and make an announcement to that effect—that he had not been stopped from carrying out that review. The Government had tried to intimidate him with the threat of legislation, but the rail regulator was not intimidated. It was Railtrack that had been scared witless by the threat, which is why it foolishly turned down the rail regulator's offer to start the interim review process. It could not be assumed that a short Bill to enable the Secretary of State to give directions to the rail regulator would pass in time to stop the regulator's interim review proceeding. The right hon. Member for North Tyneside admitted in court in 2005 that it could not have been passed in time.

Given that when the rail regulator did carry out the interim financial review, which the Government had been prepared to legislate to stop—this was after Network Rail took over—he awarded the company an extra £7.4 billion over and above his October 2000 settlement to the company, how could it possibly have been assumed that Railtrack was insolvent when that jurisdiction was still in place in October 2001? Members have been quizzing me on that matter again today, and those are the facts.

Until the legislation could be passed and brought into effect—if, indeed, it could be passed at all—the jurisdiction of the rail regulator and his announced intention to use it meant that Railtrack was not insolvent. That much is apparent from the internal communications from and between the Treasury and the Department for Transport, Local Government and the Regions. For example, why else would Ms Vadera say in her e-mail of 2 October 2001 that the rail regulator was the "total wild card" and that everyone should be aware of the risks, including the possibility that

"if he stands up and says he has a grand plan which could keep the company solvent we're up the creek"?

In particular, I say again, the use of the word "keep" clearly indicates that the company was not insolvent and that the Government knew it.

Secondly, why would Mr. Linnard be recorded as saying that emergency legislation would be needed

"to ensure that the Rail Regulator cannot frustrate our plans to restructure Railtrack"?

Why would numerous meeting notes and e-mails speak of the need for legislation to close off Railtrack's escape route via the rail regulator? Why would Mr. Rowlands, in his minute to the Secretary of State of 31 August, have said:

"We cannot see a way of proceeding without sidelining"

the rail regulator, given that

"Railtrack's funding and obligations are matters for the Regulator"?

He explained that emergency legislation would "remove" the regulator's

"ability to frustrate Ministers' chosen solution".

Why, at the transport stocktaking on 18 September, did Mr. Rowlands say that Railtrack could fight the petition for railway administration in court and might win, and that the regulator had to be "closed off"? Why would the Government's counsel advise that a contested petition for administration was

"risky and must be avoided",

if the company was genuinely insolvent?

There are many other such examples, but they all point to one thing: the company was not insolvent and the jurisdiction of the rail regulator was the one thing that would keep it solvent.

If, as might be asserted, the company was insolvent despite the powers and declared intention of the rail regulator to carry out an interim review, it would not have been necessary for the Government to go to such extraordinary lengths to neutralise it with their disgraceful emergency legislation, and to keep secret the fact that they planned to do just that. That was why the legislation was needed. Nothing of all that was put to the judge on 7 October 2001.

Recent statements on behalf of the Secretary of State have said that it was the High Court, not the Government, that put Railtrack into administration. The House knows that. What needs to be disclosed and explained concerns the facts that the High Court was and was not given to enable it to make that decision.

The Secretary of State has said, and will no doubt say again, that Railtrack did not oppose the application for the administration order. We know that too, but it is completely irrelevant. It was the Government's obligation to tell the whole story to the judge, whatever was or was not said by Railtrack.

By the time of the Court hearing, Railtrack's senior management had made many mistakes. Perhaps the greatest was not to realise how the powers of the rail regulator insulated and protected the company against a political assault of that kind. By then, they were like

[Mr. Duncan]

rabbits frozen in the headlights of the Government juggernaut bearing down on them. The Secretary of State must now explain the actions of his predecessor and his officials and advisers in this sorry affair.

Chris Bryant (Rhondda) (Lab): Will the hon. Gentleman give way?

Mr. Duncan: No.

I contend that the Government had a duty to tell the Court in October 2001 all the facts and that they deliberately withheld that crucial component. The failure to make an honest disclosure to the judge about the power of the rail regulator is yet another—perhaps the most—shameful scar on the Government's honesty. It was and is an absolute scandal.

The High Court case has shed light on a sly and deceitful plan to implement a clandestine policy without telling Parliament. Yet again, the Government have corrupted the proper process of government, which would have been genuinely to seek all channels of finance to assist Railtrack in avoiding financial difficulties. The proper process of government would have been to respect the independence of the rail regulator, not to corrupt the position with the stench of the Government's political games. The proper process of government would have been for Ministers to make decisions at Cabinet level, not to use unelected puppets to control operations from the Treasury. The proper and decent process of government would have been to come to Parliament in June 2001 and announce that a review of the railways was under way. The proper process of government would have been to disclose all the material facts to a judge in chambers, not to conspire by deceit and complicity to deny him the facts as they knew them.

Success has many fathers; failure is an orphan. The Chancellor called all the shots on this issue, and his absence shows that he is trying to hide. He was the organ grinder and the right hon. Member for North Tyneside was but the monkey. The Chancellor wrote the score; his representative on Earth did his dirty work.

The proper processes of government have, yet again, been shamefully sidestepped by Labour. It is to the detriment of our democracy, and it is an enduring testament to the corruption, deceit and arrogance of this pitiful and mucky Government.

4.34 pm

The Secretary of State for Transport (Mr. Alistair Darling): I beg to move, To leave out from "House" to the end of the Question, and to add instead thereof:

"welcomes the judgement in the recently concluded Railtrack court case which, after weeks of evidence fully tested by cross examination, completely dismisses the claimants' allegation of wrongdoing on the part of Government; further welcomes the fact that the judgement exonerates entirely the way the Government responded to its growing concerns about Railtrack's financial position and the propriety of the process that led to Railtrack being put in Administration, including the Government's stance in relation to the Rail Regulator; notes that the judge described Railtrack's request for unlimited public funding and support, which was made in part to maintain its share price, as a "hopeless proposition"; and that there were good public reasons for the policy developed; congratulates the Government for bringing under control the situation which resulted from the previous Government's botched privatisation and putting ownership of the track into the hands of a not-for-dividend company operating in the broad public interest; and recognises the significant progress that is being made by Network Rail in improving performance on the railway and in bringing costs under control, in stark contrast to the management incompetence shown by Railtrack."

The hon. Member for Rutland and Melton (Mr. Duncan) started his speech by asserting that the matters that he has spent the past hour and five minutes discussing were not, in fact, discussed in the recent court hearing, and he seemed to employ a very selective use of the facts in relation to this case. The truth is that all these matters were considered in depth after a long trial by Mr. Justice Lindsay, whose judgment was given just a couple of weeks ago.

I will refer to most of the points that the hon. Gentleman made and to what the judge had to say about them; but, essentially, it seems to me that the hon. Gentleman sought to make exactly the same case as the claimants made in court. He chose to ignore the fact that the judge found against the claimants and found that all the matters complained of by the hon. Gentleman and the Conservative party had no basis in fact, as I shall demonstrate.

The other curious thing about the hon. Gentleman's speech is that, when he started, he seemed to suggest that the solvency or otherwise of Railtrack was an irrelevancy, yet towards the end of his speech he seemed to suggest that the company was a going concern with nothing wrong with it and that it was only the dastardly Government who brought about its downfall. That flies in the face of all the facts, as I will demonstrate.

Mr. Quentin Davies (Grantham and Stamford) (Con): Let me put to the right hon. Gentleman a question that was obviously not dealt with by the judge or the court, but that surely ought to be a matter of great concern to the House of Commons. A quotation has just been attributed to Shriti Vadera to the effect that the small shareholders do not matter—it does not matter if grannies lose their blouses—and that we ought to care only about the American investors. Does the right hon. Gentleman think that that is an acceptable attitude for a Treasury official or an adviser to the Chancellor of the Exchequer to take?

Mr. Darling: I do not know whether the hon. Gentleman has read the judgment. The judge deals with the evidence of the special advisers in paragraphs 10 to 12 and in other places as well. On the central charge made by the Conservatives today, the judge makes the point that only Ministers, who are accountable to Parliament, can make such decisions. Moreover, he found that Ministers acted correctly in the face of the evidence before them.

Mr. Andrew Turner (Isle of Wight) (Con): The right hon. Gentleman purports to quote what the judge found. Will he remind the House of whether the Chancellor of the Exchequer or the right hon. Member for North Tyneside (Mr. Byers) was the defendant in this case?

Mr. Darling: I was the defendant in the case, to be precise, which is why I read the judgment with great interest. Of course the material decision complained of was taken by my predecessor, my right hon. Friend the Member for North Tyneside (Mr. Byers). I say in passing—it would be interesting to hear what a former Chancellor of the Exchequer has got to say—that it would be quite extraordinary if the Chancellor, whoever it happened to be and whatever political party was in government, did not take an active interest in railway finances. After all, they consume a remarkably large amount of the public finances, so it is no surprise that the Chancellor should take an interest. In fact, the complaints made by the Conservatives and by the claimants related to the decision taken by my predecessor.

Several hon. Members *rose—*

Mr. Darling: I have mentioned the right hon. and learned Member for Rushcliffe (Mr. Clarke), so I shall give way to him.

Mr. Kenneth Clarke: Of course I took a close interest in railway finances when I was Chancellor of the Exchequer, and I would have expected to have a crucial say in them. We would have exchanged Cabinet papers and had a meeting of a Cabinet Committee. I would certainly not have sent along a special adviser to make cynical remarks about all those involved and to try to devise strategies for getting rid of the shareholders' interests in a company, and I certainly would not have expected the then Secretary of State for Transport to allow himself to be used as a cipher, as the right hon. Member for North Tyneside (Mr. Byers) did.

Mr. Darling: Perhaps if the right hon. and learned Gentleman had taken a bit more interest in the public finances, he would never have allowed Railtrack to be set up in the first place. As I shall demonstrate, the setting up of Railtrack cost this country dear in every sense of the word.

Mr. David Ruffley (Bury St. Edmunds) (Con): On 26 July 2001, Miss Vadera told Treasury colleagues that

"... we need a trigger to insolvency that we decisively pull."

Given that all the main lines in this railway disaster lead to No. 11, will the Secretary of State explain why not a single Treasury Minister has had the decency to turn up and account to Parliament for the Chancellor of the Exchequer's policy of dodgy accounting and expropriation?

Mr. Darling: The matter to which the hon. Gentleman refers was one of the central matters before the court. Lord Justice Lindsay did not find that the claimants' case was established, and he examined all these things.

I shall start with what the judge said—this flies in the face of the earlier comments of the hon. Member for Rutland and Melton that the judge paid no attention to these facts—about that splendid company, Railtrack, on whose behalf the hon. Gentleman spoke today. The judge stated at paragraph 274:

"In terms of railway performance, it had suffered not only Ladbroke Grove but Hatfield and the disruption that followed it. It was thought that some restructuring of it within the next 5 years was inevitable. It was seen as 'frankly a mess', with weak management at the zonal levels... It had difficulty even in funding the necessary regular maintenance. It had major projects without the skills to manage them... Its own business plan accepted that it had not maintained and renewed the railway to an acceptable standard. Its skills base as to engineers had diminished and its training fell short of what was needed. It was reported as suffering from institutional paralysis."

Lord Justice Lindsay went on at paragraph 275:

"Its own financial plan acknowledged the unreliability of its own estimates and a persistent inability to keep within budgets. It had virtually no management control; there was management paralysis. The Department had identified an amortisation error which, it thought, meant that it would be bust 'in spades' in CP 3"—

that is, control period 3. He continued:

"Railtrack itself as well as brokers had identified an intrinsic value in its shares way below the market price."

Having summarised that evidence, he stated at paragraph 276:

"Against such a perception in both railway performance and financial terms there were plainly ample and sound policy reasons for the government wishing to be rid of Railtrack and for the railway assets to be passed into the control of another or others. There were good avowable and avowed public reasons for Mr. Byers"—

my right hon. Friend the Member for North Tyneside—

"to develop a policy to that end. He did so, drawing on advices given to him by Civil Service and other advisers whose skill, honesty and competency has not been called in question."

[Interruption.]

The hon. Member for Rutland and Melton says, "So what?" Railtrack had severe financial problems and severe management problems. It would have been extraordinary if any Government had not taken the necessary action to look after the public interest.

Several hon. Members *rose—*

Mr. Darling: I am overwhelmed. I shall start by giving way to my hon. Friend the Member for Rhondda (Chris Bryant).

Chris Bryant: Is not the truth of the matter that the entire privatisation was built on sand, and that the only question is whether it was sinking sand or builders sand? One of the things wholly lacking from the debate so far, which most people in the country would find extraordinary, is the conduct of previous Governments in setting up the privatisation.

Mr. Darling: I have consciously concentrated my remarks on the conduct of the Government against what was happening with Railtrack in 2001. Many other criticisms of privatisation could be made, but the central point of the Opposition's argument today is that Ministers acted improperly in the face of what was happening to Railtrack. Given what was happening to Railtrack, the financial state that it was in and the poor state of its management, it would have been extraordinary if the Government of the day—whatever Government—had not taken appropriate action to look after the public interest.

Mr. Kenneth Clarke: We quite accept that the company was in a lamentable state, and that any

[Mr. Kenneth Clarke]

Government had a duty to consider restructuring it to make the privatisation—the present Government always agreed with us on a privatised railway—work more successfully. The question at stake is: what was the position and interests of the shareholders, particularly the small shareholders? Was the company totally insolvent? That could be decided only by the independent regulator, because he determined the revenues of the company and whether it was entitled to more financial support. It was when the Government threatened to legislate to stop him doing anything that the company was made insolvent by the Government. That is what damaged the interests of the grannies, the railwaymen and the shareholders, whose interests the Government overlooked.

Mr. Darling: That argument depends on the Government taking the view that not only should there be a review, but that, as a consequence of what it says, the regulator should tell the Government to produce a lot more taxpayers' money to keep the company afloat. The regulator does not have its own supply of money. The only place from which money can come is the Government. That argument is absolute nonsense.

The right hon. and learned Gentleman has inadvertently taken me to my next point, which concerns shareholders. The shareholders have every reason to be angry—but with the then directors of Railtrack. As I have said—

Several hon. Members *rose—*

Mr. Darling: I will give way to the hon. Member for Windsor (Adam Afriyie), but I want to make some progress first.

Railtrack wrote to the Department in March 2001, saying that it had financial difficulties. At paragraph 38 of the judgment, the judge says that Mr. J.W. Smith, who wrote that letter, stressed the group's need to

"maintain an 'A' credit rating, which, in his view, required the announcement of a package confirming government support for"

the

"Group. 'It is this', he wrote, 'which will enable us to raise £5bn by 2003'. That would be bound to cause concern at the Department as it would imply support, unascertainable in amount, for an individual company".

Of course that was going to cause concern, especially considering the content of the letter.

Two things in the letter interest me. First, Smith says that if the Government agree to bring forward £1.45 billion of deferred income, it will leave room for what he describes as "hope value"—what an indictment of the directors that they were reduced to hoping that hope value would come into the company.

Secondly, a chart summarising the shareholder value analysis is attached to the letter, and Smith goes on to say:

"you will appreciate the market's sensitivity of this analysis"—

too right he did. The analysis showed that although shares were trading at £8 a share, the company thought that they were worth 60p. If I were a shareholder in the company and found out that the directors knew that the shares were worth a fraction of what they were trading at, I would wonder why they did not issue a trading statement. Surely, they were misleading people, and the market, by allowing people to buy and sell shares at £8 a share when the company thought that they were worth a mere 60p.

Mr. Quentin Davies *rose—*

Mr. Darling: I shall give way in a moment. That is, perhaps, indicative of the directors' attitude to their shareholders. They thought that no matter what they had done, or what they did in the future, all that they would have to do would be to come cap in hand to the taxpayer and say, "Bail us out." In fact, the company had serious problems. This is not only about what was said internally. ABN Amro—the judge also mentions this—valued the shares at about 58p. Surely the alarm bells should have been ringing throughout the company, which was in deep financial trouble.

Mr. Davies: I do not think that any Conservative Member disagrees with the right hon. Gentleman's criticism of Railtrack's management, but he misses the point altogether. No one suggests that there was no problem, or that Railtrack was a brilliantly successful company. The question is: having decided to take action—in the right or wrong direction; it does not matter—did the Government proceed in a straightforward and fair fashion, or in an underhand, cynical way that showed a cynical disregard for the interests of small shareholders? That is why the quotation from Shriti Vadera is so important. Does not that reflect all too well the new Labour values that permeate the Government, including the Treasury?

Mr. Darling: The Government did act appropriately. My point is that the directors knew that the shares were worth a fraction of what they were trading at, because they knew that the company faced deep-seated problems. I mentioned the valuation of the shares earlier. I am also bound to draw the House's attention to the fact that the company wrote to all its shareholders in April 2001 drawing attention to its agreement with the Government, which states:

"The Government stands behind the rail system but not behind individual rail companies and their shareholders, who need to be fully aware of the projected liabilities of the companies in which they invest and the performance risks they face."

That was sent to every Railtrack shareholder.

Mr. Henry Bellingham (North-West Norfolk) (Con) *rose—*

Mr. Darling: I want to make some progress, then I will give way.

It is clear to me that not only did the company know that it had substantial problems but that its shareholders knew that the Government's commitment was behind the rail system but not behind any particular private company. I am glad that in the face of the facts, which we were not going to get from the hon. Member for Rutland and Melton, it is now common ground that this company was in a far from healthy financial state. Paragraph 64 describes the note that Mr. John Smith of Railtrack prepared for the incoming chairman,

Mr. Robinson. He said that

"the situation was worse than expected, neither the Regulator nor Railtrack could estimate the costs of running and maintaining the infrastructure with any certainty, the assumptions on which the settlement with the Regulator... had been based were completely unworkable, major cost over-runs on the "—

west coast main line—

"and the Channel Tunnel Rail Link were still not under control, Railtrack's 'bloating' operating costs were not being addressed. If the subsidy and pricing regime was left unchanged, the company was heading for liquidation."

So it is perfectly obvious that the company and its directors knew that the company had deep financial problems. I repeat that for any Government to have ignored that, and for any Government not to have put in place contingency plans, would have been absolutely extraordinary. Without wishing to labour the point—

Several hon. Members *rose—*

Mr. Darling: I will of course take interventions, just as the hon. Member for Rutland and Melton did.

Let me repeat the point. The then chief executive of Railtrack, when he wrote to the regulator, said:

"The cliff's edge is closer than you may realise."

This company had major financial problems.

Adam Afriyie (Windsor) (Con): My concern, like that of many others throughout the country, is for the smaller shareholders, especially the elderly and those with pension funds. It seems to me that questions in the House are not often directly answered. Will the Secretary of State answer this: does he accept, on behalf of his Government, any responsibility at all for the plight of the shareholders who have been harmed?

Mr. Darling: The responsibility for the shareholders lay with the directors of Railtrack. Railtrack had allowed itself—*[Interruption.]* Let me just demonstrate, to answer the hon. Gentleman's question. This is what the directors of Railtrack told the Department when assessing the situation that they faced on 27 July 2001. They said that they had

"no access to bank finance";

that committed facilities

"were available for less than nine months";

that they had "major drawdown" expected on bank lines; and thought it would be "problematic around October".

Their access to the bond market was "doubtful", as was the ability of the board to sign off on the bond prospectus.

The point is that the directors of the company had a clear responsibility to the shareholders. It appears that they thought that the only way around that was to come back to the taxpayer and say, "Please bail us out."

Mr. Crispin Blunt (Reigate) (Con) *rose—*

Mr. Bellingham *rose—*

Mr. Darling: I will give way in a minute.

It is worth reminding the House that on 20 August the directors of Railtrack were proposing to set aside the regulatory regime for four years—so much for the much vaunted independent economic regulation. They wanted unconditional funding from the taxpayer. They wanted to emerge after the four-year period with their shares worth between £3.50 and £5—and of course the Government would have to underwrite that value. In the meantime, they were going to carry on with a dividend of 20p per share. In other words: everything courtesy of the taxpayer.

Mr. Blunt *rose—*

Mr. Bellingham *rose—*

Mr. Darling: Let me put this to the hon. Gentlemen—if they accept that this was a company with deep-seated financial and management problems: how on earth could the Government be justified in simply saying, "Have some more money"?

Mr. Blunt: The fact is that the company was operating in an environment in which very shortly after it was taken into administration it required another £7 billion to underwrite it or to keep it in operation. When the Secretary of State describes the circumstances known to the directors, that was the environment in which the company was operating prior to October 2001. Subsequently, is it not true that the Government had to give the company, as Network Rail, £14 billion to achieve solvency?

Mr. Darling: The hon. Gentleman ignores the fact that the company did not have only financial problems. Everybody accepts that in the late 1990s and the first part of 2000, and after Hatfield, it became apparent that the deep-seated problem of successive years of lack of maintenance meant that costs were rising. However, it was to do with the management as well.

It is worth repeating Railtrack's comments about the genesis of its problems because they show that the problems were due to management as much as finance. Railtrack defined the problems as lack of any recent major projects experience inherited from British Rail. It did not have the expertise in-house to deal with such matters. The company defined another problem as

"stunning commercial naivety in agreeing to loosely-scoped, fixed-price contracts"

years in advance of its ability sensibly to price the risks or lay them off on contractors. It also stated that that was compounded by guaranteeing outputs without adequate timetabling work and without scoping infrastructure works. That, in turn, was compounded by more traffic and a declining infrastructure.

In other words, the company's problems were not only financial but due to management. In the days following the judgment, the hon. Member for Rutland and Melton appeared reluctant to admit that the Tory position was to give that poorly managed company, which had financial problems, more money.

Mr. Bellingham: Let me revert to the point that my hon. Friend the Member for Reigate (Mr. Blunt) made. If the company had not been forced into insolvency, it

[Mr. Bellingham]

would have remained a FTSE company and retained access to global capital markets, which Network Rail does not possess because its only source of finance is the Government. Will the Secretary of State confirm the figure of £14 billion? How much extra has the process cost the taxpayer?

Mr. Darling: The point is that the company was insolvent. It approached the Government to say that it could not make ends meet. Paragraph 105 of the judgment refers to a representative of Railtrack's advisers, Credit Suisse: First Boston, and states:

"He said Railtrack had virtually no management control, it was the worst case he had seen for a period and that there was management paralysis. It had major projects without the skills to manage them."

Yet Conservative Members' central argument is that the Government should have given Railtrack more money through a regulatory review. That is nonsense.

What were the Government supposed to do with a company that was painting a picture throughout 2001 of financial difficulties and self-confessed management failings? The Tory answer is, "Give them more money." I do not believe that the majority of people would agree with such a proposition.

John Bercow (Buckingham) (Con): I appreciate that the Secretary of State is in a difficult position and that he is probably trying to tough it out. However, will he tell us whether, in reflecting on the behaviour and language of the Chancellor of the Exchequer's special adviser, he believes that it was seemly, measured, transparent and reasonable? If so, he has lost his moral compass.

Mr. Darling: The hon. Gentleman has said some silly things in his time and his comment is up there among them. The central charge against the Government in the Opposition motion is that Ministers acted inappropriately. The Opposition used more florid language, but that is the charge. The Secretary of State and Ministers—they make the decisions—acted correctly when faced with a company that had deep financial problems and deep-seated management difficulties. It is becoming increasingly apparent that the Opposition would have asked the regulator to undertake a further review and would have given the company more money. *[Interruption.]*

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. We cannot have a chorus of sedentary comments. The subject of the debate is heady stuff, but it must be conducted in an orderly manner.

Mr. Darling: The Opposition view is, to some extent, that of Mr. Robinson, chairman of Railtrack. The judge said:

"Mr. Robinson's heart-felt evidence that the Government created Railtrack's insolvency is not acceptable. Not only did he, in so saying, ignore his own evidence and that of others that without government support Railtrack was unable to pay its debts"—

Railtrack's own evidence was that it was unable to pay its debts—

"but in any event a provider of funds does not 'create' an insolvency by providing only that to which the recipient is entitled. The Government can be said to have failed to avert Railtrack's insolvency but that cannot be said to be a fault in the Government unless one can postulate a duty on government to have funded Railtrack without limit and without condition",

which the judge described as "a hopeless proposition." That gets to the nub of the Opposition's case. They appear to say that the Government should have funded Railtrack without limit and without condition, which, as the judge says, is "a hopeless proposition." That is why, as I say, the Government were entirely right to take the necessary steps to develop plans in the event that it should prove necessary to put in place a body to take over running the railways if the company failed. It was almost inevitable that it would fail.

Mr. Jeremy Hunt (South-West Surrey) (Con): This really will not do. My hon. Friends the Members for Buckingham (John Bercow), for Grantham and Stamford (Mr. Davies) and for Windsor (Adam Afriyie) asked the Secretary of State whether it is acceptable for a senior Treasury official to describe Railtrack investors as grannies and to say that it does not matter if the grannies lose their blouses. Is that acceptable—yes or no?

Mr. Darling: Is not it amazing that, in the face of the facts, Conservative Members have to depart from their central case? The facts are that the company was insolvent, it was badly managed and the Government were absolutely right to put in place contingency plans.

Mr. Kenneth Clarke: Will the Secretary of State give way?

Mr. Darling: Not just now, but I will do so before I sit down.

One should look at the evidence and the judge's findings. Mr. Justice Lindsay looked at all the evidence over a few weeks and concluded that the Government acted entirely correctly.

I want to come to the regulatory point, of which the hon. Member for Rutland and Melton made much. By way of background, it is worth bearing it in mind that the regulator himself had been quite critical of Railtrack. In the summer of 2001, he gave a speech that caused some consternation in Railtrack. He said:

"Railtrack should put away the begging bowl, and stop spending valuable management time hawking themselves . . . round Whitehall, and knuckle down to getting train services back to a sustainable level of reliability and quality of service."

That was the regulator's starting point. He felt that Railtrack should be getting on with the job and with the settlement that he had made. However, the question of whether my right hon. Friend the Member for North Tyneside was right in ruling out a further regulatory review was considered by the judge. He said:

"I do not see that he",

my right hon. Friend,

"or the Department can be fairly criticised for anticipating that if there was to be no funding beyond Railtrack's present legal entitlement then legislation might be needed to be sure that that important policy decision could not be undermined. I see no ground for any material inference against Mr. Byers."

Furthermore, the judge says at paragraph 276:

"If he",

my right hon. Friend,

"had good public reasons for the policy, as I hold he had, I do not see it as a fault in him . . . to have said that if necessary he would ask Parliament to legislate so that the policy could not be thwarted."

In other words, Mr. Justice Lindsay considered those matters and found that my right hon. Friend did not act in any way that was inappropriate.

Interestingly, when we see what the regulator said when he appeared before the predecessor to the Transport Committee—

Mr. Kenneth Clarke: Will the Secretary of State give way?

Mr. Darling: I will in a moment.

The regulator made it clear that there was no prospect of being able to find the amount of money that the company needed, more or less over the weekend. Indeed, as the judge said, remarkably, Railtrack said that, unless the regulator could promise an unspecified number of millions of pounds on the Monday, there would be no point in having an interim review. In other words, the interim review could not have provided the lifeline that the Conservatives believe that Railtrack could have received.

Therefore, first, did the then Secretary of State act properly? Yes, he did. Mr. Justice Lindsay looked at that and found he acted appropriately. Secondly, as both the regulator himself and Mr. Justice Lindsay observe, even if there had been a regulatory review, it would not have helped Railtrack because its financial position was so bad that at that stage it would not have saved them.

Mr. Clarke: The Secretary of State is giving his quotes rather quickly. He touched on the point that the judge said:

"I do not see it as a fault in him . . . to have said that if necessary he would ask Parliament".

I point out that the Secretary of State left out the words in brackets:

"I do not see it as a fault in him (or, at any rate, not one relevant to the tort I am considering)".

The Secretary of State seemed to leave that out. To put the facts on the record, the judge did not clear the former Secretary of State on this point.

Our case is not that the Railtrack directors acted impeccably. There is agreement about most of the criticisms of the Railtrack directors, but none of the criticisms from anyone else said that the company was insolvent. Only the independent regulator could determine that, and the Government threatened to legislate to stop him intervening because they wanted to make it insolvent. All the other charges against Railtrack may stand, but the insolvency and the cost to the shareholders are down to the Government and the then Secretary of State and his colleagues.

Mr. Darling: I do not know whether the right hon. and learned Gentleman has read the judgment, but if he has he will know that it was the company itself that was outlining its financial difficulties and the company itself that said there would be questions about whether it could continue as a going concern. It is an important point, even to the remains of the Opposition's discredited case, that throughout 2001 the company was constantly asking itself whether it could continue to trade as a going concern, such was the state of its financial position. The Conservatives' position appears to be that, if only an interim review had been allowed, the regulator would have produced millions of pounds, for which Railtrack had asked earlier in the summer. Money would have to have come from the taxpayer—it could have come from nowhere else—to save the company.

Mr. Clarke: That is what the Government feared. That is why they stopped him doing it—

Mr. Deputy Speaker: Order. The Secretary of State must either give way, or not give way.

Mr. Darling: I did not need to give way, Mr. Deputy Speaker, because I could hear what the former Chancellor was saying.

Looking through the papers, one is struck by how, earlier in the year, when my right hon. Friend the Member for North Tyneside became Secretary of State, he foresaw no structural change taking place in the industry. At that time, he had no reason to believe that Railtrack was in such a state. It is all in the papers available at the Department—all the papers lodged with the court are available to be inspected by anyone who wants them. The judge made the point that the Department had made a full disclosure, as the House would expect.

I simply do not accept the proposition that, right from the start, the Government aimed to bring about Railtrack's insolvency. The Government did not do that. The first hint of financial problems came from the company itself in March, when it said that its shares were worth a fraction of the price at which they were trading. In each visit that Mr. Robinson and his colleagues paid throughout the summer, it was made clear that the company had deep management and financial problems. The Opposition case seems to be that the Government should have ignored all that and said to the company, "Have another regulatory review, have some more taxpayers' money", which is an extraordinary position to take.

Mr. Clarke: The Secretary of State is being extremely generous in giving way to me. Will he say why the Government threatened to legislate to take away the regulator's powers? Surely their only motive was their fear that the regulator would offer financial support and stop the insolvency that was the Government's objective, as all the papers make clear.

Mr. Darling: As the right hon. and learned Gentleman knows, because he interrupted me, a few moments ago I quoted Mr. Justice Lindsay saying that a policy decision was taken, so it was entirely understandable that the Secretary of State did not want that decision to be undermined by a further regulatory review.

The difference between us and the Opposition is becoming clear. It seems to be common ground that the company had big financial problems and was not well

[Mr. Darling]

managed. The difference is that the Opposition think that the Government should have allowed an interim review and given more public money to a company that was in desperate straits. If that is what their case comes down to, I am happy that the public should judge us. We acted entirely appropriately in reaching the decision that the company could not be saved and that it was necessary to take appropriate steps to put a fresh administration in place after Railtrack had gone.

Mr. Quentin Davies: Will the Secretary of State give way?

Mr. Darling: No. I have given way to the hon. Gentleman enough.

The idea that we should have simply bailed out a failing company is absolute nonsense.

Mr. Duncan: Will the right hon. Gentleman give way?

Mr. Darling: Not now—I might do so before I finish.

The hon. Member for Rutland and Melton made much of the order for administration. Mr. Justice Lightman said:

"This is clearly a case where the making of a railway administration order is not only appropriate, but absolutely essential".

The hon. Gentleman says that the judge should not have made that decision, suggesting that incomplete information was laid before him. I repeat the point that Railtrack could have objected to the administration order. It could have said, "If you only allow the regulator to come in and bail us out, everything will be fine." Indeed, Mr Justice Lindsay, in his judgment on 14 October, said:

"Mr Byers is accused of engineering a situation in which he could present evidence that Railtrack was or was unlikely to be able to pay its debts. But that needed no engineering."

That is what the judge found. My right hon. Friend the Member for North Tyneside did not engineer the situation. The judge makes the point that Railtrack was unable to pay its debts and that that did not need engineering. Unfortunately, Railtrack had demonstrated in spades that it was unable to pay its debts.

It seems that the foundation upon which the Conservatives seek to build their case falls apart. Railtrack was heading towards insolvency throughout 2001. It had grossly underestimated its costs, it had lost control of its finances and it was in deep financial trouble. Its own advisers said that there was management paralysis. The difference between us seems to be that the Tories would have said, "Never mind, have some more taxpayers' money." Our position is quite different. Our position was that in the light of these difficulties the Government were not prepared simply to bail out the company. It was appropriate, when the company eventually went into administration, to put in place an organisation that could run the railways properly.

It is worth bearing it in mind that under Network Rail unit costs are coming down. It now knows its unit costs. It has taken maintenance back in-house, which has saved millions of pounds. The company is being run properly as a railway rather than an adjunct of a property company. It is clear to me, coming relatively fresh to the situation, having read the court judgment and having considered all the evidence, that the Government and our Ministers acted entirely properly. That is why I believe that the House should agree to the amendment and throw out the nonsensical motion that has been tabled by the Conservative party—a party that is discredited for the way in which it brought about rail privatisation and allowed Railtrack to be created.

5.12 pm

Tom Brake (Carshalton and Wallington) (LD): What chutzpah! The Conservatives, the Frankenstein creators of the monster that led to the privatisation of the railways, are now admonishing and advising the Government on their handling of the railways. Whatever next—De Lorean advising on start-up businesses, Naomi Campbell providing anger management training or perhaps Jeremy Clarkson promoting fuel-efficient vehicles.

Sometimes, the Conservatives are justified in rebutting attacks that are based on what they did when they were in Government eight years ago, but, in relation to the privatisation of the railways and Railtrack, unfortunately the damage has been so longstanding that they cannot simply bat it away. Perhaps the Conservatives were looking for hope value in the debate—hope that their record would be forgotten. I think that people should be reminded of their record on this issue.

I shall give a few examples of Railtrack's performance. At the time of administration, it was preparing to pay a fine of at least £10 million for failing to reduce train delays. There was Lord Cullen's public inquiry into the deaths at Ladbroke Grove, which found Railtrack to be an incompetent and inadequate company. Railtrack's poor performance was also the subject of a report by consultants Booz Allen Hamilton, which was very critical of the lack of investment by Railtrack. It found that track renewals had averaged only 1.3 per cent. per annum during the control period, which was 1995–2001, which was a low rate of renewal compared with European railways, which typically replace 2 to 3 per cent. per annum. Railtrack's 1995 business plan referred to 2.2 per cent. renewals per annum, not 1.3 per cent., which it delivered. Clearly it was far short of delivering on its targets.

The National Audit Office report, published on 14 May 2004, entitled "Network Rail—Making a Fresh Start", quoted a number of factors that contributed to Railtrack's failure, including a lack of attention to its core business, leading to underinvestment in the infrastructure, loss of engineering skills and poor asset knowledge.

Given the background of the Hatfield crash, the record for track failure rose by 42 per cent. All that occurred after Railtrack took over responsibility for track safety from British Rail. No wonder the hon. Member for Rutland and Melton (Mr. Duncan) did not want to talk about Railtrack.

Mr. Hunt: Does the hon. Gentleman accept that if we talk about whether the privatisation of Railtrack was right or wrong or whether the financial health of Railtrack was in a good or bad state, we risk ignoring

the central Conservative contention that the treatment of private investors was shabby and that the Government should not have behaved as they did?

Tom Brake: The issue of the private investors and their investment was addressed by the court case. The wider public want to hear about the debacle that was Railtrack and the privatisation of the railways. They want to see some humility from the Conservative party, which has not been displayed today.

The Tory obsession with a man—the right hon. Member for North Tyneside (Mr. Byers)—and the desire to dwell on past events is extraordinary. The right hon. Gentleman's behaviour has been referred to the Standards and Privileges Committee, and it is the right body to decide his fate. We should be using this valuable parliamentary time to look not at what went wrong but at how we can improve the railways. The decision to turn Railtrack into a not-for-profit company was originally a Liberal Democrat idea. It was the right decision given that the Tories botched the privatisation of our railways.

As we are in the middle of a leadership race for the Conservative party, I thought it might be instrumental to look at what the candidates have to say about the railways, and railway privatisation and, specifically, how the railways should progress. When the right hon. Member for Haltemprice and Howden (David Davis), the shadow Home Secretary, was Chairman of the Public Accounts Committee, which considered rail privatisation in 1998, he stated:

"If something is done badly, it is done badly."

He came clean and accepted that privatisation was done badly.

Let me remind hon. Members of some of the facts revealed in that report. It gave a damning verdict on rail privatisation, which saw a handful of former British Rail managers become multimillionaires within a matter of months. The best example of that was Sandy Anderson, who made £33 million in six months.

Jim Sheridan: Taxpayers' money.

Tom Brake: Exactly.

The MPs on the Committee said:

"Such large profits risk discrediting privatisation as a whole",

which is something of an understatement. They went on to say:

"The public are understandably concerned when they see a small number of individuals making personal fortunes at a time when complaints about the industry are rising."

The right hon. Member for Haltemprice and Howden said:

"I am not embarrassed. You have to be iron-hard in impartiality"

as Chairman of the Select Committee. He went on to say:

"If something is done badly, it is done badly."

Mr. Duncan: Perhaps I can help the hon. Gentleman. We are happy to accept that in some respects at least Railtrack was a basket case. He does not need to dwell on that. What matters is the conduct of the Government. His party's amendment

"condemns the way in which the Government handled the process and the operation of the Department for Transport, Local Government and the Regions at the time".

That is the kernel of the debate. Perhaps we could join forces and hear him concentrate on that.

Tom Brake: I will dwell on that shortly. However, it is important to consider the way forward.

As I said, two Conservative Members of Parliament are standing in a leadership contest, and I looked for more up-to-date information on what they have to say about the railways. I checked out the website for the shadow Home Secretary. On 29 March, he listed 14 campaigns, all of which he seemed to have launched on that one day. The website did not list other campaigns since that date, which perhaps explains what is happening to his leadership campaign.

A rail campaign was listed. The right hon. Gentleman's website says:

"he has campaigned for Howden to get a direct train to London."

Clearly, that is the beginnings of a transport policy. It is slightly constituency-centric and perhaps a little bit self-interested, but at least it is a start.

Damian Green (Ashford) (Con): The hon. Gentleman may care to reflect that the successful campaign that my right hon. Friend the Member for Haltemprice and Howden (David Davis) conducted on that issue enabled him to double his majority over the Liberal Democrats at the general election.

Tom Brake: The hon. Gentleman makes an interesting point, but I repeat my view that basing one's transport policy on the need to secure direct trains from one's constituency to London is short-sighted.

I thought it appropriate to look at what the hon. Member for Witney (Mr. Cameron) said about transport policy, specifically rail. In part of his website headed "Quality of Life" he states:

"We must give voice to a Conservative instinct that has been silent for too long: our belief that the quality of life matters as much as the quantity of money. People in Britain today don't just want to be better off financially, with decent, well-paid jobs. They don't just want public services that work. They want Britain to be a place which lifts the spirits."

Such a place, he goes on, is

"where streets and public spaces aren't filthy; where getting around isn't such a hassle".

That is the first part of the hon. Gentleman's transport policy. In a section on a dynamic economy he says:

"We must show that we understand all that needs to be done to create a dynamic economy . . . So our vision should be to help make Britain the most civilised place in the world to live."

He goes on to say:

"Public service investment—as well as reform—is vital for our competitiveness. Spending on things like education and transport is a positive good, not a necessary evil."

That is the second part of the hon. Gentleman's transport policy, but it is sad that his website finds it necessary to state that spending on education and transport is

"a positive good, not a necessary evil."

[Tom Brake]

Surely, even the most ardent supporters of the Conservative party could not fail to agree that stated goals such as ensuring that

"getting around isn't such a hassle"

and spending on transport

"is a positive good, not a necessary evil"

hardly constitute a transport policy. I looked for salvation in the Conservative manifesto entitled "Are you thinking what we're thinking?".

Mr. Deputy Speaker: Order. The hon. Gentleman is in danger of going down a branch line. The debate is about the Government handling of decisions relating to Railtrack and the Prime Minister's amendment to the motion. The hon. Gentleman is not speaking directly to that at the moment.

Tom Brake: Thank you, Mr. Deputy Speaker, I accept your point. It is worth, however, stating briefly that the Liberal Democrats agree with the Conservative manifesto about the need to bring

"stability to the rail network, avoiding further costly and inefficient re-organisation."

The incompetence demonstrated by the Conservative Government when they created Railtrack and privatised the railways does not exonerate Labour. The hon. Member for Rutland and Melton identified some interesting facts, including the number of miles of new railway line to be built in the next few months. In 2007, 24 miles will be completed, so I assume that this year none will be built. He also told us that just three transport projects costing £500 million or more have commenced since 1997. Things were supposed to be different, as the 1997 Labour manifesto makes clear:

"The process of rail privatisation is now largely complete. It has made fortunes for a few, but has been a poor deal for the taxpayer ... There must be convenient connections, through-ticketing and accurate travel information for the benefit of all passengers."

The Secretary of State may wish to comment on the need for convenient connections, which are not yet available at King's Cross, St. Pancras or in the Thameslink box. They will not be available at Stratford station unless a travelator is provided. And we await progress on through-ticketing in relation to the Oyster card.

A subject that Conservative speakers have repeatedly raised in this debate is the link with the Chancellor. They have asked whether he has had an active hand in everything surrounding Railtrack and its demise. The evidence that all lines lead to the Chancellor in relation to transport policy involves not Railtrack but the public-private partnership for the tube, but I shall not dwell on that subject, Mr. Deputy Speaker, because you would probably call me to order. However, that partnership has not been a great success, and I do not imagine that the Chancellor will want to stress his involvement in it.

In a final comment on Labour's performance, I must point out that the Strategic Rail Authority was to have been the solution to these problems, and the body that would have ensured that the strategic planning infrastructure was appropriate. The Government announced the legislation to introduce the authority to great fanfare in 2000, but now, just a few years later, it has very inconveniently been disbanded, with millions having been handed over to consultants in the process.

A clear consensus is emerging that Britain's transport problems can be solved only by environmentally sustainable strategies, and that the railways will form an essential part of that solution. That is why this debate should have been about the future of the railways, not about things that have happened in the past. Those issues were examined in the court case, and the Select Committee on Standards and Privileges will consider the activities of the right hon. Member for North Tyneside, which is the appropriate course of action.

I did not agree with much of what the hon. Member for Rutland and Melton said, but I agree with him that the House is the place to redress grievances. They include those that were imposed by the decades of underinvestment in the railways—the delays, the cancellations and the overcrowding—that previous Conservative Governments inflicted on the travelling public, aided and abetted to a certain degree by the present Government. Those are the grievances that people want to see redressed today, but it is clear from the debate that people will remain dissatisfied. They will get only forced indignation and no humility from the Conservatives. The travelling public's grievances will have to be redressed on another day.

5.27 pm

Mr. Stephen Byers (North Tyneside) (Lab): I listened with great attention as the motion was moved by the hon. Member for Rutland and Melton (Mr. Duncan). I spent just over three weeks in the High Court at the end of June and the beginning of July, and the hon. Gentleman's speech was a total rerun of every argument that was put before the court. There was nothing new in his contribution. None of the documents to which he referred was new or fresh. I think that he said that some of them had been leaked, but they were all disclosed to the public during the court proceedings. In relation to the evidence that was put before the court when I petitioned for administration, the bundle of all the documents that we put before the High Court was also put into the Library of the House by the end of October 2001. So all the details and documents have been made available to Members of the House and, indeed, to the wider public. My right hon. Friend the Secretary of State was right to say that the judge had complimented the Department on its full disclosure, including that of documents that would usually have had legal privilege attached to them and would not have been disclosed in the normal course of events.

The hon. Member for Rutland and Melton is now back in his place, and I have to say that I have had many insults in my time in politics, but to be called "weedy" by him really takes the biscuit.

Mr. Duncan *rose—*

Mr. Byers: Here we go!

Mr. Duncan: As the judge said of the comment made by Sriti Vadera, it was a term of endearment.

Mr. Byers: And I took it as such, as always. I was disappointed by the hon. Gentleman's contribution,

however, because I was looking for some substance and detail, and something new. I am afraid that it was a rehash of the arguments that were put on behalf of the claimants in the court case, which they comprehensively lost when Mr. Justice Lindsay had the opportunity of examining their claims in detail. It really was tabloid advocacy—all headlines and no substance.

Given that the Conservatives have chosen to have a half-day debate on this issue, it is interesting to see that their priority is to re-fight the battles of four years ago, when public opinion was not in favour of Railtrack. The public now realise that what we did in putting the travelling public first, not the interests of Railtrack shareholders, was absolutely right. That was the crux of my decision. The Conservatives have never apologised for the privatisation of Railtrack. Constantly, they put the interests of 250,000 Railtrack shareholders above those of the 2.5 million who travel on our railway system every day. The Conservative party is still the same—it will always be for the few and not the many, and will always be on the margins of politics in this country as a result.

Serious allegations have been made about the conduct of the Government leading up to the decision about administration. Because of the amendment moved by my right hon. Friend the Secretary of State, however, we can also consider the nature of the privatisation of Railtrack in the first place. I am delighted that the former Chancellor of the Exchequer, the right hon. and learned Member for Rushcliffe (Mr. Clarke), will be replying to this debate. I hope that he will explain to the House what value there was for taxpayers in his writing off £1.4 billion owed to the taxpayer so that Railtrack would not inherit the debt, thereby making it more juicy for potential shareholders. That was a bung of huge proportions from the former Chancellor—to make the privatisation fly in the markets, he made a £1.4 billion gift.

It is worth reminding the House that under the Conservative Government's Railways Act 1993, which saw the privatisation of large sections of the railway system, Railtrack, responsible for the infrastructure, was kept in the public sector. That was for a good reason: everybody realised that the infrastructure operators and licence holder had to be accountable to the travelling public, not to private shareholders. However, John Major, the former Prime Minister, desperate to unite a party that was bitterly divided over issues such as Europe—if I can say that to the right hon. and learned Member for Rushcliffe—wanted a bone of dogma to give his braying Back Benchers. That dogmatic bone was the privatisation of Railtrack, pushed through in 1996.

Every independent commentator said that it simply did not make sense to have the licence holder in the private sector, accountable to shareholders and with a legal duty to put their interests first, not those of the travelling public. The right hon. and learned Member for Rushcliffe, however, when Chancellor of the Exchequer, wrote off £1.4 billion of taxpayer's money to make that privatisation float. In addition, a £69 million surplus had been made by Railtrack while in the public sector. What did he do with it? He did not use it for schools or to employ more nurses. He held it back and then showered it over the new shareholders in Railtrack like confetti—£69 million of confetti. That money was made while Railtrack was in the public sector, when those recipients were not even shareholders. That was how generous the right hon. and learned Gentleman was when he was Chancellor.

On the fundamental point of the motion, and as the hon. Member for Rutland and Melton has made clear, had the Conservatives faced the problems that we had in 2001, he would have been even more generous. He would have said to the regulator "Get on! If you want to give them billions, that is fine by us." Billions to Railtrack, a company that was clearly failing.

Adam Afriyie: May I ask a question to which I did not receive an answer from the Secretary of State? I have been listening carefully to the right hon. Gentleman. Does he accept any responsibility whatsoever for the plight of shareholders, especially the elderly, whose pensions will suffer?

Mr. Byers: When I was Secretary of State, I obviously had to have regard to the interests of shareholders, which is right and proper. But, as Secretary of State for Transport, I also had an overriding consideration: the travelling public. People chose to invest in Railtrack shares, and they received the value that was in the company. That is the nature of shareholding. There was value in the company—what was it? £2.50 or £2.60 per shareholder—and it was right for the shareholders to receive that amount. That was what the company was worth.

It is for investors to think carefully about where they are putting their money. Shares can go down as well as up, and Railtrack was a bad investment for many people. There are questions that the former shareholders should be asking the directors of Railtrack.

The privatisation of Railtrack was really a last throw of the die by the John Major Government. It was introduced because he was desperate to bring his party together. It is fascinating to look back at the terms on which Railtrack was promoted to the financial sector. At the weekend, I came across the comments of one financial adviser. He said

"Railtrack is essentially a property company".

He went on

"Railway stations provide a captive audience of passengers who are all potential customers".

Because of the way in which Railtrack ran the system, the passengers were in the stations for even longer waiting for the delayed trains. That financial adviser was absolutely right: these were the captive customers for those who were trying to promote the sale.

Railtrack was sold for £1.9 billion. It was clear that it had been undervalued. When the right hon. Member for Haltemprice and Howden (David Davis) chaired the Public Accounts Committee, the Committee issued a stinging criticism of the privatisation. Commenting on why it was rushed through before the 1997 general election, the right hon. Gentleman said

"The timing of the sale was a factor in the poor value achieved".

The Department acknowledged that Railtrack

"had been undervalued and sold in haste."

That was the background to the botched privatisation of Railtrack. What sort of company was it in the private sector from 1996 onwards? In his report on the

[Mr. Byers]

Paddington crash at Ladbroke Grove, Lord Cullen said that the company suffered from "institutional paralysis". In a recent court case dealing with the Hatfield derailment, it was revealed in the evidence before the court that Railtrack, the company that the Conservatives would have kept in business, had failed to act for over a year after being told that rails near Hatfield were badly cracked and in need of replacement. That is the company so cherished by the Conservatives; but that was the finding of the judge in the recent Hatfield court case.

The judge, Mr. Justice Mackay, went on to say that the Hatfield derailment and the neglect that was there constituted

"one of the worst examples of sustained industrial negligence in a high-risk industry I have ever seen".

That is Railtrack. That is the performance of Railtrack. The Conservatives have alleged that somehow I personally engineered the collapse of Railtrack, but the evidence makes clear that I did not need to, because of the nature of Railtrack.

Mr. Kenneth Clarke: Just so that I know what the right hon. Gentleman's case is when I reply to the debate, may I seek clarification? I am astonished. I thought he was a Blairite, but he seems to be saying that his conduct was based on a hatred of the privatisation—although I do not recall his talking about a need to renationalise—and that his actions constituted a punishment of the company for its past misfeasance in respect of some of its duty. Reading the papers, I rather thought that his main motives at the time were to get hold of its assets at minimum cost and at the shareholders' expense, and to ensure that the successor company kept its debts off the public balance sheet. There is no mention of this concern for the travelling public, this desire to avenge the wrongs of nationalisation or the dreadful instance of the Hatfield crash. Is the right hon. Gentleman saying that all that chicanery was aimed at protecting the travelling public and provoked by his dreadful memories of how awful the whole policy had been in 1996?

Mr. Byers: That was an interesting intervention, although it was more of a winding-up speech. There is no chicanery here. I am sure that this was the right decision, and I am even more confident of that now than when I took it way back in October 2001. Politically, I can see the value of the private sector in some parts of public service, but I do not accept that contracting out to a private sector company that is accountable only to shareholders is the right way forward for good, high-quality public services. If we can get the private sector to work for the public service, that is acceptable. Railtrack was working in no one's interest, which is why I was not prepared to give it yet more public money when it came asking for it.

Mr. Blunt: Does the right hon. Gentleman accept that the Government have any responsibility since 1997 for the institutional paralysis that seems to have overtaken Railtrack and its board because of their perceived and open attitude towards Railtrack?

Mr. Byers: That certainly was not the thrust of Lord Cullen's judgment when he issued his public report on the tragic crash at Ladbroke Grove. It was Lord Cullen whom I quoted earlier, and he referred not to the actions of the Government but to the nature of Railtrack itself, which was suffering from institutional paralysis.

A lot has been made this afternoon of Railtrack's not being insolvent. My right hon. Friend the Secretary of State has gone through a number of clear statements showing that Railtrack itself told the Government that it was in great difficulties. Mr. Smith, an employee and senior member of Railtrack who was the interface between the company and the Government, wrote to the Government on 16 March 2001, when shares in Railtrack were trading on the market at £8 each. He said that in the view of Railtrack and its board, the true value of those shares was 60p each. Some Conservatives argue that we, the Government, allowed a false market to develop in Railtrack shares, but that letter shows who allowed that to happen.

Mr. Duncan: If Railtrack's insolvency was so inevitable, why did the right hon. Gentleman, as Secretary of State, threaten the regulator with a quick Bill to abolish him?

Mr. Byers: If the hon. Gentleman can rein himself in for a few minutes—I know that he finds that difficult—I will address the matter of the regulator.

Following Railtrack's letter of 16 March 2001 about its view of the value of the shares, it produced, on 31 March, its business plan for the five years to March 2006. The judge in the case called it a remarkable document. He said that it accepted that processes for maintaining and renewing the railway to an acceptable standard had clearly been broken, and that there were no robust plans in place to live within the rail regulator's targets, even before the lessons of the Hatfield derailment. There was a significant unwillingness by managers higher up to live within budgets and plans, and the business plan could not

"be regarded as an acceptable plan in financial terms".

That is Railtrack's own five-year business plan, which was produced at the end of March.

Railtrack's audited results for the year ending 31 March 2001 appeared on 24 May 2001. For the first time, the Railtrack Group had made a loss, after taxation, of £559 million—down from the previous year's profit of £295 million. That, I would have thought, would have given a stark warning to many of the private shareholders and small investors, to whom the hon. Member for Rutland and Melton and others have referred. A gap of £3.6 billion was disclosed between budgeted income and expenditure during what is called control period 2. The projected cost of the west coast main line had increased and escalated to £6.3 billion as a result of Railtrack's management. All that led Mr. Justice Lindsay in the High Court to comment:

"It would not, in my view, be unfair to comment that a company which needed, as did Railtrack, to give very careful attention to whether its accounts could properly be prepared on a going concern basis was a company which was likely to be heading towards seriously difficult times."

That was the view taken by the judge in the High Court case.

The final piece of the jigsaw in respect of the real value of Railtrack came on 4 June 2001, when the financial brokers ABN Amro, released a circular with a selling recommendation to the market as to the value of Railtrack shares. It analysed the financial position of Railtrack in some detail and there were dire warnings. It said that investors should be in no doubt that their equity was in danger of being wiped out and that the rising levels of debt threatened to engulf the value of its regulated assets, rendering the equity worthless. The then current share price of 438p implied wildly optimistic outcomes. Based on its expectations of performance, Amro valued Railtrack's shares at 58p.

We can therefore see the financial position of Railtrack in the statements of Railtrack itself and from independent financial commentators who made it clear that the company was in great difficulties. Investors were warned to be careful in case their equity was wiped out. All the warning signs were there.

Then, of course, there is the view of the regulator. Conservative Members have made a big issue of the role played by the regulator. It was in many ways a unique privatised sector because, although regulation applied across all privatisations, Railtrack was the only privatised utility that depended on a public subsidy. Two thirds of its revenue came from taxpayers and no other regulator had the same responsibility. With the regulation of gas and electricity, for example, when the regulator makes his determinations, he is not signing a cheque on behalf of the Government. That is the difference: when the rail regulator makes a determination, it is not the shareholders or the private sector, but the taxpayer who bears the cost. We are talking about a structure that was set up under the Conservatives to make Railtrack work in the City: they introduced an independent regulator but, exceptionally, one who was using taxpayers' money to subsidise the company.

Mr. Duncan *rose—*

Mr. Byers: I want to deal with Mr. Winsor's view of Railtrack, but I will give way later.

Tom Winsor was the rail regulator at the relevant time and, on the evening of 12 June 2001, he made a speech to the Institute of Electrical and Electronics Engineers, which painted a bleak picture of Railtrack. He said that the west coast main line project had not been properly worked out and that things had got steadily worse, even after the Ladbroke Grove and Hatfield derailments. He said that Railtrack could not be trusted to deliver, that its share price had fallen below the 1996 offer price and that it had lost its essential skills base of engineers. The company, said Mr. Winsor, in a phrase to which my right hon. Friend the Secretary of State referred earlier,

"should put away the begging bowl and stop spending valuable management time hawking themselves unwanted round Whitehall and knuckle down to getting train services back to a sustainable level of reliability and quality of service".

That is what Tom Winsor wanted Railtrack to do.

Mr. Duncan: The right hon. Gentleman makes a perfectly fair point when he describes the unique triangular relationship between the rail regulator, the Government and Railtrack. We accept that, but our case is that, because that relationship was enshrined in statute, the proper conduct of Government would have required him, as Secretary of State, and others in government to form public policy properly and to come honestly to the House and not do it on the sly, as we accuse him of doing, by applying improperly for a rail administration order and trying to ignore the statutory power of the regulator. If that is not true, why would Shriti Vadera have said:

"The rail regulator is the total wild card . . . I hope we are all aware of the risks here . . . We cannot silence him over the weekend and if he stands up and says he has a grand plan which could keep the company solvent, we're up the creek."?

Mr. Byers: I shall talk in detail about what happened but I want to address that point head on, as the politics of the decision are key.

The hon. Gentleman and the right hon. and learned Member for Rushcliffe seem to hold the view that once the Conservative Government had created this being called the rail regulator, with all his rights, responsibilities and duties, a new Government—a Labour Government in this case—could not touch him. That is the implication of what the hon. Gentleman said. The regulator was a Conservative creation, so how could the Labour Government have the audacity to unravel a Conservative privatisation?

Look at the facts that were before the court. I said clearly in court and to the rail regulator, who was acutely aware of the fact, that legislation would be needed and I would have to take it through the House and another place. Of course, that is what we would have done, had we needed to. Primary legislation would have been needed, but I have no doubt that, with my colleagues, we would have done what we needed to do if it was necessary because it was in the interests of the travelling public so to do.

Mr. Kenneth Clarke: For four years, the Government accepted that structure and the right hon. Gentleman well knew that it was on the basis of that structure that the shareholders had invested and held their shareholding. The only reason that he decided to legislate was to make the company go bust, at the expense of the shareholders. For four years, he had announced no intention of legislating.

Mr. Byers: It is clearly not the case that we were legislating to make the company go bust. The court was clear about that. Mr. Justice Lindsay, talking about the evidence that he had received from the chairman of Railtrack, commented:

"In his evidence to me Mr. Robinson accepted that without government support Railtrack was unable to pay its debts and that that had been true for a long time."

That was the situation: the company was unable to pay its debts. I decided as a matter of public policy that the Government would not bail out Railtrack with yet more public money.

To secure that public policy objective, I would have had to take legislation through this place and the House of Lords, but the Conservatives somehow find it grossly insulting that, when there is a change of Government, we want to do things differently. Well, we wanted to do things differently and we did. I believe that having a

[Mr. Byers]

company to run the infrastructure that puts the interests of the public first is far better than having a company—Railtrack—which had a legal duty always to put its shareholders first. That was the fatal flaw in the Railtrack privatisation.

Mr. Winsor was robust in his approach to Railtrack, and it was for that reason that the company came to the Government and not to the rail regulator for an interim review—the route established by the Conservative Government when they were in office. Because the rail regulator was sending out such a clear message, the company decided to try to do a deal with the Government. I can understand why. A deal was done in April 2001, when £1.5 billion was brought forward in what was described as the endeavour settlement to assist Railtrack in its financial difficulties, largely as a result of Hatfield. A deal was done with the Government. The company pleaded poverty and £1.5 billion was made available. It is interesting that, within a month, £134 million of that sum had been given out in a dividend to Railtrack shareholders.

Another key point about the April settlement is that the Government made it clear that, although we would stand behind the railway industry, we would not stand behind individual companies and that shareholders needed to be aware of that fact. Unlike what the hon. Member for Rutland and Melton said, the Government were open about our approach to the railway industry. There were to be no more bail-outs. People learned lessons after the £1.5 billion in April and we hoped that that money would see Railtrack through, but the company told us that it needed more money.

Railtrack came to the Government in strictest confidence, however, so it was not something we could make public. The company wanted help but it told us about the position in confidence. The right hon. and learned Member for Rushcliffe will know from his outside interests that companies often approach the Government on a commercially confidential basis, which is not to be made public to the stock market or anybody else. That is what happened in that case and I make no apology for it. The matter was not something to be debated openly. A company was coming to the Government in private, in commercial confidentiality, saying, "We've got these problems. Can you help us out?". As a result, we held discussions, especially from 25 July, to try to resolve the difficulties that Railtrack faced. On 5 October, I had to decide whether to give more public money to Railtrack or tell the company that enough was enough and that, if it was insolvent, it should petition for administration.

The House debated the situation extensively in autumn 2001 and two distinct decisions were taken. On Friday 5 October, there was the decision to say no to extra finance for Railtrack. We paid all the money due to the company but nothing more. Then, on the basis of the advice I received on the Sunday morning, I agreed to petition for insolvency in line with my powers as Secretary of State.

Grant Shapps (Welwyn Hatfield) (Con): The right hon. Gentleman has made great play of the fact that extra money was going to Railtrack, but will he answer the question that has been put several times this afternoon about whether an additional £14 billion of public money went to Network Rail?

Mr. Byers: We do not know whether it was additional because we do not know what the rail regulator might have decided in an interim review, so we cannot answer that question. However, we are now in a far better position with Network Rail, which can deliver in the public interest, as opposed to Railtrack, which had that fundamental flaw. The company was failing in management terms and it can also be argued that its structure and the way that it was set up—putting the interests of shareholders first—could not deliver for the railway. The performance figures show that the railways are on the mend. There still needs to be much improvement, but the structure that is in place and that is being built on by my right hon. Friend the Secretary of State is a far better one to deliver in the interests of the travelling public.

A specific point was made about the position of the rail regulator. Mr. Winsor was robust in his approach. He knew that I had to take legislation through this place and the House of Lords. That is why, when the Railtrack directors phoned him on the Saturday evening—incidentally, they said they were ringing him only for due diligence—he said that he could conduct an interim review, but that he did not have much time. He asked them when they wanted the money. They said, "By Monday." They wanted millions of pounds by Monday. That was the response of the Railtrack directors. Mr. Winsor indicated clearly that, although he could conduct a review, I would have to take the measure through this place and the House of Lords and that it would take time, but they did not want to know. They knew that the game was up and that Railtrack was a company that could not pay its way. For that reason, when the case got to the court on the Sunday, they waived the two-days' notice that was theirs. They could have delayed the whole thing by a couple of days to have proper conversations with the regulator. They did not do that, but waived their right to have another couple of days to try to get a deal with the rail regulator. They gave up—they did not want to know. That is what the Railtrack directors did in those circumstances.

Miss Anne McIntosh (Vale of York) (Con) *rose—*

Mr. Byers: Of course I give way to a former Railtrack shareholder.

Miss McIntosh: As the House will recall, I took evidence on this point—and, yes, as the right hon. Gentleman says, I held Railtrack shares at the time. Why did he threaten the rail regulator? Why did he not allow the rail regulator to use the powers that the House had vested in the rail regulator under the legislation? By not allowing the rail regulator to use those powers, what message does that send to regulators in other industries?

Mr. Byers: I appreciate that the hon. Lady has only just come into the Chamber, but we have covered that issue extensively earlier in the debate. [HON. MEMBERS: "Answer!"] I shall repeat it all if hon. Members want me to. It is a strange logic of what democracy is all about to suggest that, because a Conservative Government have

created an edifice, a Labour Government cannot come in and change it. Yes, the hon. Lady is right: the Railways Act 1993 allowed the regulator to be in place. I indicated to the regulator that I would legislate if need be for powers to direct the regulator, but I did not need to legislate—in reality, there was no need to do so. That was the situation, but it is flawed logic to say that, somehow, a different Government cannot bring legislation before the House. Mr. Winsor was aware that legislation would be necessary, which is why he said, on the Saturday evening, "The Secretary of State has said that he wants to legislate, but that will take time. I can conduct an interim review while he tries to do so." I think that the hon. Member for Rutland and Melton made that point in relation to my speech in the House in November 2001.

Adam Afriyie: I have a very brief question for the right hon. Gentleman: why did he not act in the four years after a Labour Government were elected?

Mr. Byers: I was the Secretary of State only from 9 June and some people say that I acted far too quickly, but the Government did act. We were trying to make the structure work, but it became very clear that that simply was not the case. That is why I took the decision. It is interesting to read the view of Mr. Justice Lindsay in the High Court, where he was taken through the arguments about my conduct. He says:

"I do not see that he",

referring to me—

"or the Department can be fairly criticised for anticipating that *if* there was to be no funding beyond Railtrack's legal entitlement then legislation *might* be needed to be sure that that important policy decision could not be undermined."

That was the view of the judge in the High Court case, and we are revisiting all the arguments that were heard in the High Court at the end of June and throughout July—but, no doubt, we will hear a few more now.

Mr. Duncan: The right hon. Gentleman is right: he would have been entitled to come to the House to try to change the law, but he was working within existing statute law. Why did he not tell the judge who granted the administration order about the powers of the regulator, who, if he had chosen to exercise them, could have staved off the insolvency that was granted in that order?

Mr. Byers: All the relevant details were provided to the court, as far as I am aware. I refer once again to the point made by Mr. Justice Lindsay. In referring to the making of the order, he says:

"The learned judge"—

Mr. Justice Lightman—

"accepted that the Company either was or was likely to be unable to pay its debts. In his evidence to me Mr Robinson",

who was the chairman of Railtrack,

"accepted that without government support Railtrack was unable to pay its debts and that had been true for a long time."

So Railtrack gave up, effectively, because its directors knew the state that their company was in.

A major public policy decision was taken to say that no additional funding should be given to Railtrack, and we met all our legal obligations.—*[Interruption.]* The hon. Member for Rutland and Melton says from a sedentary position, "You didn't tell us," but the right hon. and learned Member for Rushcliffe was agreeing with me when I went through the nature of a major company coming to the Government in confidence with commercial information. I appreciate that the hon. Gentleman has never held Government office—he is unlikely ever to do so—but if he consulted the right hon. and learned Gentleman, he could have explained to him what the nature of government is all about. He would find that useful. It would not have any practical application—he will never have the chance—but it might be good for his wider knowledge of the way in which government works.

Railtrack was a flawed privatisation. Railtrack was obliged to meet the needs of its shareholders. With Network Rail, we now have a far better system that can put the travelling public first and we are beginning to see improvements in the railway system as a result. When the chairman of Railtrack met the Prime Minister in July 2001, he described his view of Railtrack. I shall quote because the language may not be quite parliamentary. He said that Railtrack was "a crap company". He was absolutely right in that analysis of Railtrack.

Despite all the criticism that I have had over the years from Railtrack shareholders, aided and abetted by Conservative Members, as they have been again this afternoon, I am confident that, when I took the decision in the autumn of 2001 to say, "No more extra money for Railtrack" and to put the interests of the travelling public first, I did so after proper debate and deliberation in government. I did it with the powers that I then had as Secretary of State for Transport, and I am absolutely confident that it was the right decision to take in the public interest and for those people who travel every day on our railway network. So I make no apology for that decision and for unwinding the Tory privatisation that was Railtrack. It was failing the industry and the travelling public, and we did things rightly and properly in the public interest. That is why I will support the Government amendment this evening.

6.7 pm

Damian Green (Ashford) (Con): It has been instructive to listen to both the current and the former Secretaries of State for Transport, who have been anxious to tell us what they did, but very reluctant to deal with why they did it, which is central to the point made by my right hon. and hon. Friends in the motion. I want to concentrate for a few minutes—I am conscious that other colleagues wish to speak—on the second half of the motion, which criticises the conduct of the Chancellor of the Exchequer's special adviser and then considers the impropriety in the formation of Government policy. That lies at the heart of the debate. As well as the hugely important issue of running an efficient railway, it is possibly even more important that we run a fair and decent Government, and the whole episode reveals that the current group of Ministers—especially the Chancellor of the Exchequer and his advisers—are not capable of doing so.

I shall concentrate on the use and behaviour of special advisers. As a former special adviser, I want to challenge the implication that the way in which special advisers'

[Damian Green]

now routinely behave, which damages the reputation of the whole civil service, is in any way comparable with how they used to behave under previous Governments.

The events surrounding Railtrack illustrate that the Government no longer hold to one of their articles of faith. They have always believed that the public care only about what they do and not at all about how they do it. That theory was exploded by the Iraq war, when even some of those who supported the Government's policy were deeply disturbed by the Government's lack of candour about their reasons for taking action and, equally, by the slapdash way in which decisions are taken, which allows the lack of candour to flourish because it bypasses the proper systems of government.

What is transparent from both the files and today's debate is that the Government wanted to renationalise Railtrack. That policy could have been properly debated in the House. Indeed, that happened in other venues. That is an entirely proper policy debate. What is not proper, and what the Chancellor's special adviser in particular seems to have driven, are the efforts to renationalise by stealth and on the cheap. In particular, as we have heard throughout the debate, the Chancellor's special adviser was the driving force behind the contempt shown to Railtrack shareholders.

The audit trail is clear. On 26 July 2001, Ms Shriti Vadera wrote:

"I was thinking we need a trigger to insolvency that we decisively pull."

At the end of July she was asking in e-mails:

"Can we engineer the solution through insolvency—finding the right balance between not having triggered it and therefore avoid compensation. . . . but enough to be seen to have acted decisively".

She went on to state at the end of August that

"we have enough things to spend money on in the sector without worrying about bailing out shareholders who added no value to the company",

before her now notorious e-mail describing the shareholders as "grannies".

What the e-mails illustrate is not just Ms Vadera's contempt for small shareholders—that is a matter between her and her political masters, especially, perhaps, those Treasury Ministers who purport to support an enterprise economy—but how much real power lies in the hands of special advisers who seem to have no regard for any proper process of government. Permanent officials would not write e-mails like that about a sensitive matter of public policy, because they have proper regard for the way in which advice to Ministers should be devised and presented. Under previous Governments, special advisers would not have written like that, either. It is not a matter of pedantry or trying to wrap up advice in Sir Humphrey-style obfuscation; it is a decent regard for propriety, without which even democratic government loses its legitimacy. Governments have huge power. That means that individual officials have huge power and should exercise it responsibly.

Many people would say that it is wrong to talk about officials, because Ministers take responsibility for decisions. I wish that were still the case. Under this Government, Ministers too often duck and dive and try to evade responsibility. Just occasionally, the light shines on what is going on behind Whitehall's closed doors and we discover who is pulling the strings. The Government who brought us Jo Moore and still bring us Shriti Vadera have no right to hide behind constitutional or parliamentary proprieties. The people who tore up the old rule book cannot hide behind the old rules. In this case in particular, they cannot hide behind the old rules because Ms Vadera was clearly uninterested in maintaining the structure of the rail industry, which had been left in place to ensure that a proper balance was maintained.

We have just had an interesting debate about the role of the rail regulator and Mr. Tom Winsor's interpretation of it. It was entirely in the Government's power in four years to instigate a discussion and introduce legislation. They chose not to do so. When it came to the point where they wanted to renationalise Railtrack on the cheap, they realised that he might be an obstacle, so they started threatening him. The history of that episode shows that instead of having a proper policy debate, they choose to do things behind closed doors.

It is worth analysing who lies behind this manifestation of the increase in special advisers' powers and the misuse of that power. The plans for the destruction of Railtrack on the cheap were clearly hatched in the Treasury, and the spider at the centre of the web was the Chancellor of the Exchequer. It is a little ironic, but I feel sorry for the Prime Minister, who has had to suffer public rebuke following the Butler report for his informal style of sofa government. The Chancellor is in many ways more culpable of subverting the proper processes of government, because he is characteristically more thorough, more rigorous and more focused than the Prime Minister when he sets about subverting the processes of proper government.

The Chancellor's special adviser in this case was assiduous in pulling together and forcing through the policy that led to the collapse of Railtrack. To return to my first point, such behaviour on the part of a special adviser was unthinkable under any previous Government of any party. Special advisers are in a privileged position and should recognise that that brings responsibilities. That has clearly not happened in this case. Even more importantly, senior Ministers who appoint and employ special advisers should make it clear to them that they are expected to meet the highest standards of propriety—the standards that all of us expect from permanent officials. It is plain that the Chancellor does not expect or encourage his special advisers to meet those high standards.

All that is a most serious charge to lay at the Chancellor's door. He aspires to be Prime Minister. In that role he would be responsible for the conduct of all his Ministers. Why should Ministers or special advisers respect the rules when the Chancellor of the Exchequer holds the rules in contempt? The Government's conduct over Railtrack stinks, because those at the very top of the Government do not care about using their power in a proper, decent and fair way. For that they should be ashamed.

6.15 pm

Grant Shapps (Welwyn Hatfield) (Con): I am the Member of Parliament for Hatfield. I was in Hatfield on the day of the crash and have followed the goings-on

with great interest as a result of the immediacy of the case to me. I pass the memorial at Hatfield almost every day and am familiar with the issues of the cracked corner rail, which led to that tragedy and the four deaths.

This, however, is not a debate about Railtrack and whether it was a good or bad company. This is a debate about the way in which Railtrack was renationalised on the cheap. That is the only subject of the debate, and all the contributions that we have heard this afternoon from the Government Benches about how it was something to do with the success or otherwise of Railtrack are red herrings. They are irrelevant to the case. I have been in business for the past 15 years. It is a company limited by guarantee, so there are shareholders. The idea that a Government can take away those shares without due process and, in this case, without reference in advance to Parliament, is appalling. That is exactly what happened.

Mr. Byers: The hon. Gentleman stated that the Government took away the shares of those who held shares in Railtrack. To ensure that he is not misleading the House, will he reconsider what he said? He will know that Railtrack shareholders got £2.50, I think, or £2.60 each, so they got the value in the company. The Government did not take away any shares from Railtrack shareholders.

Grant Shapps: Indeed. I am grateful for the right hon. Gentleman's intervention. Earlier, he told us that he thought shareholders got £2.50 or £2.60 when the company went into administration. I can tell him that the shares were at £2.80 when he effectively put Railtrack into administration, and the shareholders were compensated at just £2.50. I am happy to correct that assertion and to cover another point that I wanted to mention about the right hon. Gentleman's contribution.

Make no mistake: this is not an argument about whether we think Railtrack was a good or a bad company. It is not even an argument about whether we think the directors of the company were running the company correctly. There is well established company law to deal with all those matters. If the company was trading insolvently, just as if my company were trading insolvently, there are laws to deal with the directors in such instances. It is not good enough for the Government or the former Secretary of State for Transport, Local Government and the Regions to say that because the company was inefficient, or even if the company was in some way acting incorrectly in a legal sense, the only choice was to force it into administration, yet that is exactly what happened. The critical point is that it happened without reference to the House.

The same argument is used about the independent rail regulator and the idea that he could not have been approached differently. We have heard about the e-mails that were flying about. In one, the Government were concerned that the rail regulator might thwart them, and they considered the Office of the Rail Regulator a "total wild card". In the e-mails of September and October 2001, the Government said that if they could not silence the regulator, and if he stood up to them, the plan to keep the company solvent would be "up the creek". In other words, the right hon. Gentleman feared the rail regulator.

Time is short and it is important that we allow for sufficient summing up on both sides. As we have seen from today's debate, the project code-named operation Ariel was anything but whiter than white.

6.19 pm

Mr. Kenneth Clarke (Rushcliffe) (Con): It gives me great pleasure to make one of my occasional guest appearances at the Dispatch Box.

I have followed the Railtrack case since the evidence in the court case first began to reveal to the public exactly how the whole process came about. One of my key interests in politics during this Government's period in office is the way in which standards in public life have been reduced and the way in which the Government have changed the decision-making process. In the past eight years, most of the proper process has been subverted by the way in which new Labour operates, of which the Railtrack case is a prime example—indeed, it is the best example that we have seen so far, because of all the evidence that has come out.

When the evidence on the Railtrack case came out, it did not get the publicity that it might have received because it followed the tragic London underground bombings. Then we had to wait for the judge to pronounce on whether the then Secretary of State was motivated by personal malice towards the shareholders. Today, the Government are trying to evade responsibility by introducing general arguments about the privatisation of the railways and the competence of Railtrack's directors, whom I will not defend. They are avoiding not only the decision itself, but the very way in which the decision was taken and the processes by which the ultimate insolvency occurred and the situation we face today arose.

This Government took over eight years ago, and they have changed the way in which the Government operate, to the detriment of good decision making and the proprieties of public life, such as openness to the public and accountability to this Parliament. They no longer follow any proper system of Cabinet government, collective responsibility or recorded open decision making. I have been through all the papers and, so far as I can see, no Cabinet paper was ever produced and most Ministers, including most members of the Cabinet, had no idea what was being planned. That is a classic example of informal decision making on the sofa of one Minister or another. The only people who had the first idea what was going on were the Prime Minister, the Secretary of State for Transport and his then colleagues and, crucially, the Chancellor of the Exchequer, who played a key role throughout.

Meetings were unminuted, and many departmental officials did not leave their fingerprints behind. Fortunately, not only were one or two minutes kept, but a series of extremely reckless and unsuitable e-mails went flying between Departments. The former Secretary of State has said that the Department willingly produced some of the information, when the whole ghastly tale began to be revealed.

This Government do not follow any of the normal rules of parliamentary accountability. We have just heard the right hon. Member for North Tyneside (Mr. Byers) discuss his intention to legislate, to which I shall return in a moment. This House was never

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informed about any Government plan to legislate to take away the independent regulator's powers. Indeed, when the report of the court proceedings was recently released, it came as a revelation to all hon. Members and to most Ministers.

In my opinion, the best example of the absence of parliamentary accountability is the lack of any appearance by the Chancellor of the Exchequer or even, so far as I have observed, any Treasury Minister. The Opposition motion is extremely critical of the Chancellor of Exchequer, because his special adviser orchestrated the policy and because he was mainly responsible for the way in which the Government planned to restructure Railtrack. I cannot remember a Minister who, having been personally chastised by a motion on the Order Paper, did not bother to stick his nose around the corner of the Chair, and it will be interesting to see whether his name appears in the Division list.

In my opinion—I am sorry to give this news to anyone who has not heard it—the Chancellor of the Exchequer will be the next Prime Minister of this country. Under the present Prime Minister, standards of parliamentary accountability have declined to a quite unacceptable degree, but I fear that the next Prime Minister will make the present one look like a democratic saint. The next Prime Minister is a control freak who disdains any criticism on the Floor of the House of Commons and leaves his colleagues to look after such matters for him.

One of the worst things that has been revealed by this case is the undermining of the independence of the civil service and the misuse of the role of special adviser—a subject on which I have previously made entire speeches. The Government always promise to introduce a civil service Bill to restore the independence of the civil service and to protect the civil service when it is made to do things of which it doubts the wisdom; unfortunately, the legislative programme never includes enough time in which to introduce it.

The special advisers in this case acted in an extraordinary manner. I will not repeat all the allegations against the special adviser to the Chancellor of the Exchequer, but she is obviously a formidable lady and she played a leading role. I pity the unfortunate officials in the then Department for Transport, Local Government and the Regions who had to contend with Jo Moore, who is, by all accounts, a very difficult lady, and who ended the ministerial career of the right hon. Member for North Tyneside for the time being.

The Chancellor's special adviser was also obviously regarded as extremely formidable. When she summoned meetings, all the officials attended, and when she gave guidance on the Treasury's view, it was followed. The right hon. Member for North Tyneside, who at least has the courtesy to smile, must remember the times when he wondered who was in charge of his Department. He had to take instructions from the people who came to see him from the Treasury.

Many of my hon. Friends who are present in the House tonight were formerly special advisers to Conservative Governments. I can see five former special advisers, and two of them were special advisers in the Treasury in my time. All those hon. Members will confirm that they would have been sacked if they had behaved like that. If my hon. Friend the Member for Buckingham (John Bercow), who was a special adviser in the Treasury, or my hon. Friend the Member for Bury St. Edmunds (Mr. Ruffley), who was also a special adviser, had sent such e-mails to the Department for Transport and had addressed the Secretary of State and his officials in the same way as the current Chancellor's special adviser, they would have been sacked. However, I would have expected any half-decent Secretary of State for Transport to have thrown out the Chancellor's special adviser and sent her back to the Treasury. When the Chancellor wants to issue instructions, he should have the courtesy to call a meeting and issue them himself.

What were those instructions, and what was the Government's motive? The right hon. Member for North Tyneside has attempted to evade the whole point of the debate. He relies heavily on the fact that the court found in his favour, but it did so because the shareholders had to climb the extraordinary mountain of seeking to demonstrate that he was acting out of a sense of personal malice against them, which they failed to do. The court expressly left open the politics of the matter, and I do not think that a court was the right place to determine the proper conduct of government, the parliamentary process and other things.

I have no personal malice against the right hon. Member for North Tyneside, but he cannot escape either on the grounds of the court judgment or on the evidence he cited, where he was just being disingenuous. He says that he was motivated by a concern for the travelling public, but they are not mentioned—there is not even a passing reference—in the e-mails. *[Laughter.]* Suddenly, he remembered Hatfield and Ladbroke Grove. There is nothing in the papers about punishment being imposed for the undoubted lapses in maintenance standards at Hatfield and Ladbroke Grove. He talked about how much he resented having the legislation, which was not his creation, that gave the regulator his role, and how it was really all the Conservatives' fault that that was there in the first place. He is a Blairite—a pro-privatiser. When the privatisation of the Royal Mail is proposed, if the Government can sort it out, he might even agree with me on that—I have no idea. During all his years in government he never showed the slightest interest in renationalising anything. For four years, his Government were in office and did nothing whatever to change the structure that they had, including the role of the independent regulator.

Let us have none of this. The right hon. Gentleman and Ms Vadera were not driven by a sense of concern for the travelling public or by a sense of outrage at the evils of privatisation or the rail accidents that had occurred. They were interested in two things. The first, which we have not touched on today and is the subject for a much wider debate, is the Chancellor's overriding concern that the new body that was to be set up should be off balance sheet. That is why it failed and every other device failed. The thing that the Chancellor was most

concerned about personally was that it should not appear on the books and that any future debt should be totally off balance sheet.—*[Interruption.]*

Mr. Michael Howard (Folkestone and Hythe) (Con): The right hon. Member for North Tyneside (Mr. Byers) has just agreed.

Mr. Clarke: It is impossible to deny it: it is set out time and again as a given. There were 10 commandments, but one was the most important of all—"We must not have an honest Red Book; the public accounts should not reveal the truth about this creature we are going to set up called Network Rail"—and that had to determine everything. If the Chancellor had come here today, we might have had a go at him about this: given that he makes all these speeches about the need to have genuinely independent statistics of value and the importance of having an independent office, what on earth is he doing bullying the Office for National Statistics to reach, as it eventually did, the absurd decision—which no other statistician I know agrees with—that the current debts and liabilities of Network Rail should not be on the public balance sheet? The only reason the Chancellor is able to say that he is following his prudent borrowing rule is that £20 billion-worth or thereabouts of current Network Rail liabilities are shown as being in the private sector—at least, they are not included in the public debt and are never used when the Chancellor describes his actual fiscal position.

So the Government's first main motive was to keep any debt off the public accounts—that drove everything and virtually stopped any other solution being chosen. The second, and the one that caused all the concern after the case, was that they must get hold of the assets of Network Rail either free of charge or at minimum cost, at the expense of the shareholders. That is what makes this example of abuse of public power particularly bad. All of us politicians, and anybody with a concern for public life, wish to see Cabinet government, the independence of the civil service, and proper accountability to Parliament. Those are very important constitutional issues. Sometimes the victim is public interest generally, and the problem is one of the proper administration of affairs. In this case, people were the victims—the shareholders whose assets had to be acquired, at minimum cost. The shareholders—I will not repeat the quotes, as they have featured often in the debate—were treated with total contempt, even being described by the Chancellor of the Exchequer's special advisers as grannies who would lose their blouses. The special advisers did not often mention the railwaymen. Ninety per cent. of the staff of Network Rail had shares in their own company. They were the shareholders. Conservative Members have been accused of being more concerned about 250,000 shareholders than about the travelling public. A quarter of a million of our fellow citizens—not all of whom were small shareholders, but very many of whom were—were to have their assets taken from them at the very minimum cost to the Treasury. All these heaps of paper are taken up with constant contrivance to achieve that result.

Mr. Spellar: Does the right hon. and learned Gentleman accept that the share price of Railtrack had dropped dramatically—to £2.80, as I recollect—as a result of the ineptness of the management? In fact, the shareholders got £2.50, having estimated in March that the actual value in the company was only 60p a share. How were they being robbed?

Mr. Clarke: They were obviously wrong in March. Everybody seems to have left to try to work out what assets would be available if the company was wound up. The price did go down to £2.80, which was below the level that the company had been floated at. It had at one time been £17. The fact is that we will never know what the value of the company would have been if the proper process had been followed. I shall turn to that in a moment.

This company was not insolvent. We do not know what would have happened if a proper financial review had been conducted, because the right hon. Member for North Tyneside did not allow it.

Mr. Byers *rose—*

Mr. Clarke: I will give way in a moment, but I am about to move on to the key question, which the right hon. Gentleman has not answered. Before asking me his question, will he agree that the main aim was to get the company into insolvency—that is repeated time and again—and to get the assets at low value? Can he find any expression of concern for the shareholders in these documents, apart from the fear of class actions in the United States—the Government were very worried about the American shareholders, who are litigious—and the fear of the institutional shareholders, who decided to cut their losses and bale out? If he will answer that, I will answer whatever question he wishes to ask me.

Mr. Byers: I know that the right hon. and learned Gentleman—[HON. MEMBERS: "Answer!"] I am going to answer his question in two parts. First, he should read the judgment to see what the judge says about the way in which the term "grannies" was used; he is very clear about that.—*[Laughter.]* It is interesting that Conservative Members have obviously not read the judgment.

Secondly, the right hon. and learned Gentleman—this is the point on which I tried to intervene on him—is saying that taxpayers' money should have been used to give value to Railtrack shareholders. He must recognise, as the architect of Railtrack, that the regulator gives taxpayers' money as a result of any interim review, so he is saying, on behalf of the Conservative party, that taxpayers' money should have been used to increase the value of Railtrack shareholders.

Mr. Clarke: On the first point, I concede that there are occasions when the word "grannies" can be used as a term of endearment, but it is not my interpretation that that was the tone being adopted by the Chancellor's special adviser.

On the second point, the right hon. Gentleman is misinterpreting what we are saying, as he and his right hon. and hon. Friends have done throughout the debate. We are not saying that if there had been a Conservative Government we would have put in a

[Mr. Clarke]

whole lot of money that the Labour party would not have put in. We are defending the then legal position of the independent regulator, which was undoubted. It was not for the Secretary of State to decide whether the company was solvent or received any income. We had legislated, I agree, for a situation whereby it was not a decision for the Secretary of State. The regulator had a statutory duty to make provision for these things. The whole basis upon which Railtrack had been floated was that of investment in the company by the shareholders. Of course the shareholders took a risk, but their measurement of that had to be based on what the judgment of the statutory regulator might be. That was the law—the right hon. Gentleman had made no attempt to change it. He acted because he feared that the powers of the regulator would stop him proceeding to his chosen route of insolvency.

Mr. Byers: Will the right hon. and learned Gentleman confirm that, in line with the structure that he helped to create, the trigger for the review would have been a request from Railtrack's directors? If so, will he concede that they made no such request?

Mr. Clarke: That is poor mitigation. The right hon. Gentleman is accused of a crime—I use the word loosely; he is accused of an offence—yet he says, "I now realise that I needn't have done it." It is surprising that Railtrack did not resist. As I shall show, it was offered the opportunity to resist but it did not take it. It amazed the Government and it slightly amazes me that Railtrack did not challenge the administrative order. The right hon. Gentleman did not expect that; that is not what he was warned it would do.

Let me make it clear again: I do not defend the board of Railtrack. Those who say that the shareholders and the travelling public have cause for complaint against the board of Railtrack have some grounds. It was in a lamentable state and I accept that any Government would have been obliged to consider restructuring the company to put it on a sounder footing, and to decide what had to be done to make the privatised railway, which the Government continue to run, work better. We are arguing about what they did and how they did it. They chose the route of insolvency and subsequently realised that they did not have the legal power to make the company insolvent because all the relevant powers were in the hands of a regulator.

The Government held all sorts of private discussions. The lady from the Treasury pointed out that the regulator was the truly wild card. We have heard about all the connotations and how it was made increasingly clear to the Government that the chosen route of insolvency could be stopped by Tom Winsor, the regulator. They were discussing his, not their powers. The then Secretary of State for Transport cooked up the idea of legislating to take away the regulator's powers to make any decisions about the company's financial state or to give it any financial support. That was catastrophic. The regulator's decisions determined 90 per cent. of Railtrack's revenue. The train operators paid it for the use of the track and the signalling, and the regulator determined the amount. He had wide powers to undertake a financial review. The Government decided to make the company insolvent because that was the cheapest way of proceeding, but suddenly became aware of the existence of a truly wild card—a guy who had the legal power to do something about it.

Mr. Darling: Will the right hon. and learned Gentleman give way?

Mr. Clarke: I shall do so for the last time because I do not want to detract from the main point.

Mr. Darling: I am grateful. I allowed the right hon. and learned Gentleman to intervene in my speech on several occasions. Is not his problem the fact that Railtrack knew that it was insolvent? It unquestionably could not pay its debts. It had been telling the Government for six months before October 2001 that it was in deep financial trouble. It might have wanted to approach the regulator, but not to get a second opinion about whether it was insolvent. The only reason for going to the regulator was to get barrel-loads of public money to stop it being insolvent. For that reason, the right hon. and learned Gentleman's argument falls down. We are not considering a company that was solvent in October 2001. By its own admission, it could not pay the debts and it wanted "millions of pounds by Monday morning". It could not get that.

Mr. Clarke: It was for the regulator to decide whether the company was insolvent. Railtrack knew that as well as the then Ministers. Railtrack despaired of following that route. Regardless of what it requested, it was up to the regulator to decide whether to give it anything. The regulator was independent and had rightly been severe about Railtrack's past performance. However, the route of approaching the regulator was cut off.

The former Secretary of State has no answer to the question of why he got, in a meeting, the Prime Minister's personal authority to legislate, unless he feared that the regulator would produce a financial arrangement that would block the insolvency. There was no need to ask the Prime Minister for legislation if the regulator intended to do nothing. There was no need to contemplate emergency powers if Railtrack had accepted that it would not approach the regulator. The only reason for the device was to force an insolvency that the regulator might have stopped.

The former Secretary of State told the regulator of his intentions only on the Friday before the Sunday when he made the application for the insolvency. I shall read the judge's account of the evidence that was given about the meeting with the regulator when the then Secretary of State told him of his intentions. Tom Winsor said

"that Mr. Robinson's reaction would be likely to be an immediate application for an early interim review. Mr. Byers said that that had been thought of and that if such an application were made he had the authority (as he had) of the Prime Minister and Chancellor immediately to introduce emergency legislation to entitle the Secretary of State to give instructions to the Regulator. Mr. Winsor pointed out what adverse effects such legislation would have not just on railway financing but on regulated industries generally. He spoke, too, of implications under the Human Rights Act. He made no headway; Mr. Byers said an application to put the company into Railway Administration would be made on Sunday."

The regulator was told that if he acted he would be sacked and that, even more important, his powers would be taken away. That makes it clear that there was only one motive: to ensure that he could not undertake a financial review and the company could not be rescued.

Railtrack rolled over on the Sunday. It did not oppose the administration. By that time, it was disheartened, but the regulator had tried to stiffen its resolve. By Saturday, Mr. Winsor was talking to the chief executive of Railtrack. The judgment states:

"Mr. Winsor, on the subject of the threatened legislation, pointed out that it would take time to be passed and was a difficult card for the government to play. It would be likely to be resisted by reason of its effect on other regulators and other regulated industries. It would be hard fought and might not be passed at all, but, despite that, Railtrack showed no interest. He suggested that they might call the government's bluff but Mr. Robinson just repeated that the government would do it."

The unfortunate Mr. Robinson had lost heart and despaired. He considered a financial review and was told that the Government would legislate to remove the regulator's power and that there would be no review. The independent regulator invited him to call the Government's bluff because it would not have been easy to get the measure through the House. However, it was lucky for the right hon. Member for North Tyneside and the Government that Railtrack had finally had the stuffing beaten out of it. It was presented with a pistol but it did not fire it. It agreed to administration and the victims were the shareholders—the people who never discovered what the value of their company might have been. The scheme of putting the company into administration had been successful because the people in charge of Railtrack would not ask for a financial review. When told that the Government would legislate, they despaired.

It is a sorry and disreputable story. It shows the process of government being subverted and misused. It shows motives that would never have come to light without the litigation. Only when the shareholders came to court did anybody know anything about the stage-by-stage discussion, planning and plotting that had gone on between a few people to produce such an appalling result. That is why we have tabled the motion and why the debate is important.

Sooner or later, the style of government must be improved. When the current Chancellor becomes Prime Minister, my red hot tip for his successor is the current Secretary of State for Transport, who led for the Government in the debate. I hope that he raises the standard of government by an inch or two. To be fair to him, he did not defend all the processes that had been used; he tried to defend only the decision.

To show that the matter is not simply a bee in the bonnet of Conservative politicians, I shall quote the comments that Simon Jenkins made in *The Sunday Times* on 17 July, when the judgment came out. *[Interruption.]* He is an independent commentator. He has said rude things about me in the past month or two, and about many other hon. Members. It is no good He is also careful what he says:

"The case is of massive significance to the integrity of British politics. It is the common man against Leviathan, the evidence portraying squirming ministers, bullying officials, money beyond dreams of avarice, chicanery and lies. Laid bare have been the inner workings of Tony Blair's courtier style of government. The Scott inquiry into arms-for-Iraq was small beer in comparison. The case tells us more about Whitehall's view of the world than ever did Hutton. It deserves a Spielberg movie to itself."

I cannot say that that is overstated. I do not think that it is understated, either. We have had an opportunity, because of the court case, to see the veil ripped away and to see what actually happens in the new Labour Government when they handle a controversial decision. It is not a pretty sight. The Government should not escape censure for that, nor should the then Secretary of State for Transport, Local Government and the Regions. But the person who should be held responsible above all for this dreadful mess is the Chancellor of the Exchequer.

6.50 pm

The Minister of State, Department for Transport (Dr. Stephen Ladyman): Finally, with the right hon. and learned Member for Rushcliffe (Mr. Clarke), we have at the Dispatch Box one of the real authors of the Railtrack misfortune. The party that says that it wants to look forward has given us a perfect opportunity to examine its past and rolled out one of its crustiest dinosaurs for us to have a look at. But the fact that the dinosaurs could roar did not mean that they were not finished.

There was not a word of apology from the right hon. and learned Gentleman. We did not hear a word about his role in the creation of Railtrack.—*[Interruption.]* We did not hear a mutter of regret from any of the sad remnants of the Major Government who are sitting on the Front Bench today; I can see at least three of them. There was not a breath of apology, not a murmur of regret, so let me start by putting the record straight.—*[Interruption.]*

Madam Deputy Speaker (Sylvia Heal): Order. The House must come to order.

Dr. Ladyman: The disaster that was Railtrack had its origins in the botched privatisation of the railway system, for which the Government whom the right hon. and learned Gentleman served were totally responsible. It was a disaster born of a feckless, economically illiterate and weak Government who were determined to force railway privatisation on the nation, whatever the price. As the price mounted, did the right hon. and learned Gentleman, who after all became Chancellor of the Exchequer before the privatisation was complete, once count the price? When he became Chancellor and the sale was being forced through before the general election, did he put his foot down and block the bargain basement disposal of national assets? Not at all. On the reorganisation of Railtrack, he was silent. When railwaymen and engineers were being elbowed from the board and replaced with retailers and property men, he did not utter a word to stop it—not a murmur.

In an intervention, the right hon. and learned Gentleman said that, when he was in office, things would not have been done as they were done by this Government. He said that the Conservatives would have convened a Cabinet Committee and exchanged ideas in memos. Did those memos and those Cabinet Committees stop the disaster that was Railtrack?

[Dr. Ladyman]

Instead, that Government and that Chancellor pushed ahead. If anyone has lost money on Railtrack, if railway travellers wonder why rebuilding the railways has taken so long, and if taxpayers want to know why so much money went into the pockets of Railtrack for so little return, they need look no further than that Conservative Government and the right hon. and learned Gentleman. If they want to know what the Conservative party would have done in the same circumstances, they need look no further than the comments of Tory Front Benchers—*[Interruption.]*

Madam Deputy Speaker: Order.

Dr. Ladyman: Nor from Tory Front Benchers was there a word of regret. There was none of the humility that the hon. Member for Carshalton and Wallington (Tom Brake) suggested we should see from them. They have made it clear that, in the same circumstances, they would do what they did then, all leading to today's master-class in denial.

My right hon. Friend the Member for North Tyneside (Mr. Byers) reminded us of the state of the railways at the time. He reminded us that the neglect of those railways led directly to Hatfield. Not only was Railtrack insolvent, but it was not even fulfilling its basic obligations to maintain the railway.

The hon. Member for Ashford (Damian Green) alleged that we wanted to renationalise, but provided absolutely no evidence of that. He mentioned special advisers. The role of such advisers was dealt with in some detail in the judgment, but time and again, Conservative Members said that those advisers were not considered in the judgment. I do not think that they have read it. They were dealt with in detail and that judgment vindicated the Government every step of the way.

On the matter of advisers, I quote directly from the judgment:

"Until a policy decision is made, at which point the government can be expected to present a united front in support of that policy, there are likely to be very different and often conflicting arguments within the several ministries or departments likely to be affected by the decision . . . One can thus expect, before a policy issue becomes a decision of government, that Ministers will be found to be expressing very different views as the prospective policy is thrashed out. Still less, at that or any stage, will views expressed by Ministers' respective Special Advisers be the views of government rather than their commonly being their individual attempts to argue their corner in support of what they know to be or what they hope to be their Minister's inclinations or with a view to leading the Minister to the inclination which the Special Adviser prefers."

It is clear that the judgment specifically dealt with the role of special advisers.

The hon. Member for Welwyn Hatfield (Grant Shapps) mentioned that he was a director of a small business and said that its shareholders would be horrified at the idea that Government could take away their shares. The Government did not take away the shares of those who invested in Railtrack. Those shareholders were paid between £2.50 and £2.60 for each of their shares.

Mr. Duncan: If insolvency was absolutely inevitable, why did the Government try to intimidate the rail regulator and threaten him with abolition?

Dr. Ladyman: Insolvency was not only inevitable, it was a fait accompli because the directors of Railtrack themselves had admitted that the company was already insolvent. That comes out of every page of the judgment. It comes out of every page of the witness statements. It comes out of every page of the bundle of evidence provided to the courts. What comes out of every single page of the judgment is that the Railtrack directors understood themselves that the company was already insolvent. They even had a document that told them that, when the company shares were trading at £8, they were worth just 60p. They even got a letter from one of their own advisers saying that 60p was an exaggeration and that the shares were actually worth 58p. The Government did not make Railtrack insolvent—it was insolvent all along.

Indeed, post Railtrack being put into administration, the Government did act, when restructuring the industry, to provide £500 million for the shareholders of Railtrack, so the idea that we took away the shares and—

Grant Shapps: Will the Minister give way?

Dr. Ladyman: I have no time. I am sorry. The right hon. and learned Member for Rushcliffe was only supposed to speak for 20 minutes, but like all his promises when in government, he broke that one, too.

I put it to the hon. Member for Welwyn Hatfield: what role does he think directors take in running a company? Whom should shareholders blame when things go wrong in a company? If his company went into insolvency, would he think that he had a right to go to his major customer and demand that it provide more money in return for no more services, just to keep his company going? Of course he would not.

As we have heard, the judgment is a complete vindication of the Government's position. After weeks of evidence and weeks of cross-examination, the judgment found—*[Interruption.]*

Mr. Graham Stuart (Beverley and Holderness) (Con): Was gibberish a compliment, then, on the part of the judge?—*[Interruption.]*

Dr. Ladyman: I am sorry, but I could not hear what the hon. Gentleman said because his Conservative colleagues were making so much noise.

The Government were right to put their contingency plans in place, and the idea that the Government should have funded Railtrack without limit and conditions was, in the judge's own words, a "hopeless proposition". The judge described what was the reasonable perception in Government of Railtrack in 2000 and 2001:

"It was seen as 'frankly a mess', with weak management at the zonal levels. It was pilloried in the Press for bad management. It had difficulty even in funding the necessary regular maintenance. It had major projects without the skills to manage them. It was being ground down by the Regulator (so said its own advisers)."

It was not the Government who sought not to go to the regulator. It was Railtrack itself that proposed to the Government that they should bail it out by giving it unlimited money, and freedom from the regulator for four years. When putting those plans to the Government, it insisted that the regulator should not be told about them.

The directors of Railtrack were directly responsible for the management of their company. The Opposition Front-Bench spokesmen and the remnants of the Major Government need to take responsibility for the fact that they put incompetent people on the board of that company, which led directly to its collapse and to the problems that we have experienced in the rail industry. The Labour Government have been vindicated, every step of the way, by the judgment. I suggest that we regard the Conservative motion in the same way as the judge described the shareholders' proposition: it is a preposterous idea.

Question put, That the original words stand part of the Question:—

The House divided: Ayes 174, Noes 343.

Division No. 65] **[7 pm**

AYES

Afriyie, Adam
Ainsworth, Mr. Peter
Amess, Mr. David
Ancram, rh Mr. Michael
Arbuthnot, rh Mr. James
Atkinson, Mr. Peter
Bacon, Mr. Richard
Baldry, Tony
Barker, Gregory
Baron, Mr. John
Bellingham, Mr. Henry
Benyon, Mr. Richard
Bercow, John
Beresford, Sir Paul
Binley, Mr. Brian
Blunt, Mr. Crispin
Bone, Mr. Peter
Boswell, Mr. Tim
Brady, Mr. Graham
Brazier, Mr. Julian
Brokenshire, James
Browning, Angela
Burns, Mr. Simon
Burrowes, Mr. David
Burt, Alistair
Butterfill, Sir John
Campbell, Mr. Gregory
Carswell, Mr. Douglas
Cash, Mr. William
Chope, Mr. Christopher
Clappison, Mr. James
Clark, Greg
Clarke, rh Mr. Kenneth
Conway, Derek
Cormack, Sir Patrick
Cox, Mr. Geoffrey
Crabb, Mr. Stephen
Curry, rh Mr. David
Davies, Philip
Davies, Mr. Quentin
Davis, rh David *(Haltemprice and Howden)*
Djanogly, Mr. Jonathan
Dorries, Mrs. Nadine
Duddridge, James
Duncan, Mr. Alan
Duncan Smith, rh Mr. Iain
Dunne, Mr. Philip
Ellwood, Mr. Tobias
Evans, Mr. Nigel
Evennett, Mr. David
Fallon, Mr. Michael
Field, Mr. Mark
Forth, rh Mr. Eric
Francois, Mr. Mark
Gale, Mr. Roger
Garnier, Mr. Edward
Gauke, Mr. David
Gibb, Mr. Nick
Gillan, Mrs. Cheryl
Goodman, Mr. Paul
Goodwill, Mr. Robert
Gove, Michael
Gray, Mr. James
Grayling, Chris
Green, Damian
Greening, Justine
Greenway, Mr. John
Grieve, Mr. Dominic
Gummer, rh Mr. John
Hammond, Mr. Philip
Hammond, Stephen
Hands, Mr. Greg
Harper, Mr. Mark
Hayes, Mr. John
Heald, Mr. Oliver
Heathcoat-Amory, rh Mr. David
Herbert, Nick
Hermon, Lady
Hoban, Mr. Mark
Hogg, rh Mr. Douglas
Hollobone, Mr. Philip
Holloway, Mr. Adam
Horam, Mr. John
Howard, rh Mr. Michael
Howarth, Mr. Gerald
Hunt, Mr. Jeremy
Hurd, Mr. Nick
Jack, rh Mr. Michael
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Johnson, Mr. Boris
Jones, Mr. David
Kawczynski, Daniel
Key, Robert
Kirkbride, Miss Julie
Lait, Mrs. Jacqui
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Leigh, Mr. Edward
Letwin, rh Mr. Oliver
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Lilley, rh Mr. Peter
Loughton, Tim
Luff, Peter
Mackay, rh Mr. Andrew
Maclean, rh David
Main, Anne
Malins, Mr. Humfrey
Maples, Mr. John
Mates, rh Mr. Michael
May, rh Mrs. Theresa
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Mercer, Patrick
Miller, Mrs. Maria
Milton, Anne
Mitchell, Mr. Andrew
Moss, Mr. Malcolm
Murrison, Dr. Andrew
Newmark, Mr. Brooks
O'Brien, Mr. Stephen
Osborne, Mr. George
Ottaway, Richard
Paice, Mr. James
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penrose, John
Pickles, Mr. Eric
Prisk, Mr. Mark
Pritchard, Mark
Redwood, rh Mr. John
Rifkind, rh Sir Malcolm
Robertson, Hugh
Robertson, Mr. Laurence
Ruffley, Mr. David
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Shepherd, Mr. Richard
Simmonds, Mark
Simpson, Mr. Keith
Soames, Mr. Nicholas
Spelman, Mrs. Caroline
Spink, Bob
Spring, Mr. Richard
Steen, Mr. Anthony
Streeter, Mr. Gary
Stuart, Mr. Graham
Swayne, Mr. Desmond
Swire, Mr. Hugo
Syms, Mr. Robert
Tapsell, Sir Peter
Taylor, Mr. Ian
Taylor, Dr. Richard
Tredinnick, David
Turner, Mr. Andrew
Tyrie, Mr. Andrew
Vara, Mr. Shailesh
Viggers, Peter
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Walter, Mr. Robert
Waterson, Mr. Nigel
Whittingdale, Mr. John
Wiggin, Bill
Wilshire, Mr. David
Wilson, Mr. Rob
Winterton, Ann
Winterton, Sir Nicholas
Wright, Jeremy
Yeo, Mr. Tim
Young, rh Sir George

Tellers for the Ayes:
Mr. John Randall and Michael Fabricant

NOES

Ainger, Nick
Ainsworth, rh Mr. Bob
Alexander, Danny
Anderson, Mr. David
Anderson, Janet
Armstrong, rh Hilary
Atkins, Charlotte
Austin, Mr. Ian
Austin, John
Bailey, Mr. Adrian
Baird, Vera
Baker, Norman
Balls, Ed
Banks, Gordon
Barlow, Ms Celia
Barron, rh Mr. Kevin
Bayley, Hugh
Begg, Miss Anne
Bell, Sir Stuart
Benton, Mr. Joe
Berry, Roger
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blears, rh Hazel
Blizzard, Mr. Bob
Blunkett, rh Mr. David
Borrow, Mr. David S.
Brake, Tom
Breed, Mr. Colin
Brooke, Annette
Brown, Lyn
Brown, rh Mr. Nicholas
Browne, Mr. Jeremy
Bruce, Malcolm
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Burstow, Mr. Paul
Burt, Lorely
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Cable, Dr. Vincent
Cairns, David
Campbell, Mr. Alan
Campbell, rh Sir Menzies
Campbell, Mr. Ronnie
Caton, Mr. Martin
Cawsey, Mr. Ian
Challen, Colin
Chapman, Ben
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Clelland, Mr. David

Cheyd, rh Ann
Coaker, Mr. Vernon
Coffey, Ann
Cohen, Harry
Connarty, Michael
Cook, Frank
Cooper, Rosie
Cooper, Yvette
Corbyn, Jeremy
Cousins, Jim
Crausby, Mr. David
Creagh, Mary
Cruddas, Jon
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
Curtis-Thomas, Mrs. Claire
Darling, rh Mr. Alistair
Davey, Mr. Edward
David, Mr. Wayne
Davidson, Mr. Ian
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dhanda, Mr. Parmjit
Dismore, Mr. Andrew
Dobbin, Jim
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Dunwoody, Mrs. Gwyneth
Eagle, Maria
Ellman, Mrs. Louise
Engel, Mrs. Natascha
Ennis, Jeff
Etherington, Bill
Farrelly, Paul
Farron, Tim
Featherstone, Lynne
Field, rh Mr. Frank
Fisher, Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Flynn, Paul
Follett, Barbara
Foster, Mr. Don
Foster, Mr. Michael *(Worcester)*
Foster, Michael Jabez *(Hastings and Rye)*
Francis, Dr. Hywel
Gapes, Mike
Gerrard, Mr. Neil
Gibson, Dr. Ian
Gilroy, Linda
Godsiff, Mr. Roger
Goggins, Paul
Goldsworthy, Julia
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. David
Hamilton, Mr. Fabian
Hancock, Mr. Mike
Harman, rh Ms Harriet
Harris, Dr. Evan
Harris, Mr. Tom
Harvey, Nick
Havard, Mr. Dai
Healey, John
Heath, Mr. David
Hepburn, Mr. Stephen
Heppell, Mr. John
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodgson, Mrs. Sharon
Hood, Mr. Jimmy
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Horwood, Martin
Howarth, David
Howarth, rh Mr. George
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Hughes, Simon
Humble, Mrs. Joan
Hunter, Mark
Hutton, rh Mr. John
Iddon, Dr. Brian
Illsley, Mr. Eric
Iranca-Davies, Huw
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Lynne
Jowell, rh Tessa
Joyce, Mr. Eric
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kemtch, Mr. Paul
Kelly, rh Ruth
Kemp, Mr. Fraser
Kennedy, rh Mr. Charles
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Kramer, Susan
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lamb, Norman
Laws, Mr. David
Laxton, Mr. Bob
Lazarowicz, Mark
Leech, Mr. John
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Llwyd, Mr. Elfyn
Love, Mr. Andrew
Lucas, Ian
MacDougall, Mr. John
Mackinlay, Andrew
MacNeil, Mr. Angus
MacShane, rh Mr. Denis
Mactaggart, Fiona
Malik, Mr. Shahid
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall-Andrews, Mr. Robert
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCafferty, Chris
McCarthy, Kerry
McCarthy-Fry, Sarah
McDonagh, Siobhain
McDonnell, John
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
Meacher, rh Mr. Michael
Meale, Mr. Alan
Merron, Gillian
Miliband, Edward
Miller, Andrew
Mitchell, Mr. Austin
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moore, Mr. Michael
Moran, Margaret
Morden, Jessica
Mountford, Kali
Mudie, Mr. George
Mulholland, Greg
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Naysmith, Dr. Doug
Norris, Dan
O'Brien, Mr. Mike
O'Hara, Mr. Edward
Oaten, Mr. Mark
Olner, Mr. Bill
Osborne, Sandra
Owen, Albert
Palmer, Dr. Nick
Pickthall, Mr. James
Pope, Mr. Greg
Pound, Stephen
Prentice, Bridget
Price, Adam
Primarolo, rh Dawn
Prosser, Gwyn
Pugh, Dr. John
Purchase, Mr. Ken
Purnell, James
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Riordan, Mrs. Linda
Robertson, Angus
Robertson, John
Rogerson, Mr. Dan
Rooney, Mr. Terry
Roy, Mr. Frank
Ruane, Chris
Ruddock, Joan
Russell, Bob
Russell, Christine
Ryan, Joan
Salter, Martin
Sanders, Mr. Adrian
Seabeck, Alison
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Short, rh Clare
Simon, Mr. Siôn
Simpson, Alan
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Geraldine
Smith, rh Jacqui
Smith, John
Snelgrove, Anne
Soulsby, Sir Peter
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Stoate, Dr. Howard
Straw, rh Mr. Jack
Stuart, Ms Gisela
Stunell, Andrew
Sutcliffe, Mr. Gerry
Swinson, Jo
Tami, Mark
Taylor, Ms Dari
Taylor, David
Taylor, Matthew
Teather, Sarah
Thornberry, Emily
Timms, Mr. Stephen
Tipping, Paddy
Todd, Mr. Mark
Touhig, Mr. Don
Trickett, Jon
Truswell, Mr. Paul
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Usher, Kitty
Vaz, Keith
Vis, Dr. Rudi
Walley, Joan
Waltho, Lynda
Ward, Claire
Wareing, Mr. Robert N.
Watts, Mr. Dave
Webb, Steve
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Williams, Mrs. Betty
Williams, Hywel
Williams, Mark
Williams, Mr. Roger
Williams, Stephen
Willis, Mr. Phil
Winnick, Mr. David
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek
Younger-Ross, Richard

Tellers for the Noes: Kevin Brennan and Mr. Tom Watson

Question accordingly negatived.

Question, That the proposed words be there added, *put forthwith, pursuant to Standing Order No. 31 (Questions on amendments)*:—

The House divided: Ayes 323, Noes 176.

Division No. 66] **[7.15**

AYES

Anger, Nick
Ainsworth, rh Mr. Bob
Alexander, Danny
Anderson, Mr. David
Anderson, Janet
Armstrong, rh Hilary
Austin, Mr. Ian
Austin, John
Bailey, Mr. Adrian
Baird, Vera
Balls, Ed
Banks, Gordon
Barlow, Ms Celia
Barron, rh Mr. Kevin
Begg, Miss Anne
Bell, Sir Stuart
Benton, Mr. Joe
Berry, Roger
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blears, rh Hazel
Blunkett, rh Mr. David
Borrow, Mr. David S.
Brake, Tom
Brooke, Annette
Brown, Lyn
Brown, rh Mr. Nicholas
Browne, Mr. Jeremy
Bruce, Malcolm
Buck, Ms Karen
Burden, Richard
Burnham, Andy
Burstow, Mr. Paul
Burt, Lorely
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Cairns, David
Campbell, Mr. Alan
Campbell, rh Sir Menzies
Campbell, Mr. Ronnie
Caton, Mr. Martin
Cawsey, Mr. Ian
Challen, Colin
Chapman, Ben
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Clelland, Mr. David
Clwyd, rh Ann
Coaker, Mr. Vernon
Coffey, Ann
Cohen, Harry
Connarty, Michael
Cook, Frank
Cooper, Rosie
Cooper, Yvette
Corbyn, Jeremy
Cousins, Jim
Crausby, Mr. David
Creagh, Mary
Cruddas, Jon
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
Curtis-Thomas, Mrs. Claire
Darling, rh Mr. Alistair
Davey, Mr. Edward
David, Mr. Wayne
Davidson, Mr. Ian
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dhanda, Mr. Parmjit
Diamond, Mr. Andrew
Dobbin, Jim
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Eagle, Angela
Eagle, Maria
Ellman, Mrs. Louise
Engel, Mrs. Natascha
Ennis, Jeff
Etherington, Bill
Farrelly, Paul
Farron, Tim
Featherstone, Lynne
Field, rh Mr. Frank
Fisher, Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Flynn, Paul
Follett, Barbara
Foster, Mr. Don
Foster, Mr. Michael *(Worcester)*
Foster, Michael Jabez *(Hastings and Rye)*
Francis, Dr. Hywel
Gapes, Mike
Gerrard, Mr. Neil
Gibson, Dr. Ian
Gilroy, Linda
Godsiff, Mr. Roger
Goggins, Paul
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. David
Hamilton, Mr. Fabian
Hancock, Mr. Mike
Harman, rh Ms Harriet
Harris, Dr. Evan
Harris, Mr. Tom
Harvey, Nick
Havard, Mr. Dai
Healey, John
Heath, Mr. David
Hepburn, Mr. Stephen
Heppell, Mr. John
Hesford, Stephen
Hewitt, rh Ms Patricia
Hayes, David
Hill, rh Keith
Hillier, Meg
Hodgson, Mrs. Sharon
Hood, Mr. Jimmy
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Horwood, Martin
Howarth, David
Howarth, rh Mr. George
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Humble, Mrs. Joan
Hunter, Mark
Hutton, rh Mr. John
Iddon, Dr. Brian
Illsley, Mr. Eric
Irranca-Davies, Huw
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Lynne
Jowell, rh Tessa
Joyce, Mr. Eric
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Keetch, Mr. Paul
Kelly, rh Ruth
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Killoyle, Mr. Peter
Kramer, Susan
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lamb, Norman
Laxton, Mr. Bob
Lazarowicz, Mark
Leech, Mr. John
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Love, Mr. Andrew
Lucas, Ian
MacDougall, Mr. John
Mackinlay, Andrew
MacShane, rh Mr. Denis
Mactaggart, Fiona
Malik, Mr. Shahid
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall-Andrews, Mr. Robert
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCafferty, Chris
McCarthy, Kerry
McCarthy-Fry, Sarah
McDonagh, Siobhain
McDonnell, John
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGuire, Mrs. Anne
Mclsaac, Shona
McKechin, Ann
Meacher, rh Mr. Michael
Meale, Mr. Alan
Merron, Gillian
Miliband, Edward
Miller, Andrew
Mitchell, Mr. Austin
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moore, Mr. Michael
Morgan, Margaret
Morden, Jessica
Mountford, Kali
Mudie, Mr. George
Mulholland, Greg
Munn, Meg
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Naysmith, Dr. Doug
Norris, Dan
O'Brien, Mr. Mike
O'Hara, Mr. Edward
Oaten, Mr. Mark
Oliver, Mr. Bill
Osborne, Sandra
Owen, Albert
Palmer, Dr. Nick
Plaskitt, Mr. James
Pope, Mr. Greg
Pound, Stephen
Prentice, Bridget
Primarolo, rh Dawn
Prosser, Gwyn
Pugh, Dr. John
Purchase, Mr. Ken
Purnell, James
Reed, Mr. Andy
Reed, Mr. Jamie
Riordan, Mrs. Linda
Robertson, John
Rooney, Mr. Terry
Roy, Mr. Frank
Ruane, Chris
Ruddock, Joan
Russell, Bob
Russell, Christine
Ryan, Joan
Salter, Martin
Sanders, Mr. Adrian
Seabeck, Alison
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Short, rh Clare
Simon, Mr. Siôn
Simpson, Alan
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Geraldine
Smith, rh Jacqui
Smith, John
Snelgrove, Anne
Soulsby, Sir Peter
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Straw, rh Mr. Jack
Stuart, Ms Gisela
Stunell, Andrew
Sutcliffe, Mr. Gerry
Swinson, Jo

Tami, Mark
Taylor, Ms Dari
Taylor, David
Teather, Sarah
Thornberry, Emily
Timms, Mr. Stephen
Tipping, Paddy
Todd, Mr. Mark
Trickett, Jon
Truswell, Mr. Paul
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Usher, Kitty
Vaz, Keith
Vis, Dr. Rudi
Walley, Joan
Waltho, Lynda
Ward, Claire
Wareing, Mr. Robert N.
Watts, Mr. Dave
Webb, Steve
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Williams, Mrs. Betty
Williams, Mark
Williams, Mr. Roger
Williams, Stephen
Willis, Mr. Phil
Willott, Jenny
Winnick, Mr. David
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek
Younger-Ross, Richard

Tellers for the Ayes:
Kevin Brennan and
Mr. Tom Watson

NOES

Afriyie, Adam
Ainsworth, Mr. Peter
Amess, Mr. David
Ancram, rh Mr. Michael
Arbuthnot, rh Mr. James
Atkinson, Mr. Peter
Bacon, Mr. Richard
Baldry, Tony
Barker, Gregory
Baron, Mr. John
Bellingham, Mr. Henry
Benyon, Mr. Richard
Bercow, John
Beresford, Sir Paul
Binley, Mr. Brian
Blunt, Mr. Crispin
Boyce, Mr. Peter
Boswell, Mr. Tim
Brady, Mr. Graham
Brazier, Mr. Julian
Breed, Mr. Colin
Brokenshire, James
Browning, Angela
Burns, Mr. Simon
Burrowes, Mr. David
Burt, Alistair
Butterfill, Sir John
Campbell, Mr. Gregory
Carswell, Mr. Douglas
Cash, Mr. William
Chope, Mr. Christopher
Clappison, Mr. James
Clark, Greg
Clarke, rh Mr. Kenneth
Conway, Derek
Cormack, Sir Patrick
Cox, Mr. Geoffrey
Crabb, Mr. Stephen
Curry, rh Mr. David
Davies, Philip
Davies, Mr. Quentin
Djanogly, Mr. Jonathan
Dorries, Mrs. Nadine
Duddridge, James
Duncan, Mr. Alan
Duncan Smith, rh Mr. Iain
Dunne, Mr. Philip
Ellwood, Mr. Tobias
Evans, Mr. Nigel
Evennett, Mr. David
Fallon, Mr. Michael
Field, Mr. Mark
Forth, rh Mr. Eric
Francois, Mr. Mark
Gale, Mr. Roger
Garnier, Mr. Edward
Gauke, Mr. David
Gibb, Mr. Nick
Gillan, Mrs. Cheryl
Goodman, Mr. Paul
Goodwill, Mr. Robert
Gove, Michael
Gray, Mr. James
Grayling, Chris
Green, Damian
Greening, Justine
Greenway, Mr. John
Grieve, Mr. Dominic
Gummer, rh Mr. John
Hammond, Mr. Philip
Hammond, Stephen
Hands, Mr. Greg
Harper, Mr. Mark
Hayes, Mr. John
Heald, Mr. Oliver
Heathcoat-Amory, rh Mr. David
Herbert, Nick
Hermon, Lady
Hoban, Mr. Mark
Hogg, rh Mr. Douglas
Hollobone, Mr. Philip
Holloway, Mr. Adam
Horam, Mr. John
Howard, rh Mr. Michael
Hunt, Mr. Jeremy
Hurd, Mr. Nick
Jack, rh Mr. Michael
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Johnson, Mr. Boris
Jones, Mr. David
Kawczynski, Daniel
Key, Robert
Kirkbride, Miss Julie
Lait, Mrs. Jacqui
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Leigh, Mr. Edward
Letwin, rh Mr. Oliver
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Lilley, rh Mr. Peter
Llwyd, Mr. Elfyn
Loughton, Tim
Luff, Peter
Mackay, rh Mr. Andrew
Maclean, rh David
MacNeil, Mr. Angus
Main, Anne
Malins, Mr. Humfrey
Maples, Mr. John
Mates, rh Mr. Michael
May, rh Mrs. Theresa
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Mercer, Patrick
Miller, Mrs. Maria
Milton, Anne
Mitchell, Mr. Andrew
Moss, Mr. Malcolm
Murrison, Dr. Andrew
Newmark, Mr. Brooks
O'Brien, Mr. Stephen
Osborne, Mr. George
Ottaway, Richard
Paice, Mr. James
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penrose, John
Pickles, Mr. Eric
Price, Adam
Prisk, Mr. Mark
Pritchard, Mark
Rifkind, rh Sir Malcolm
Robertson, Angus
Robertson, Hugh
Robertson, Mr. Laurence
Ruffley, Mr. David
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Shepherd, Mr. Richard
Simmonds, Mark
Simpson, Mr. Keith
Soames, Mr. Nicholas
Spelman, Mrs. Caroline
Spink, Bob
Spring, Mr. Richard
Steen, Mr. Anthony
Streeter, Mr. Gary
Stuart, Mr. Graham
Swayne, Mr. Desmond
Swire, Mr. Hugo
Syms, Mr. Robert
Tapsell, Sir Peter
Taylor, Mr. Ian
Taylor, Dr. Richard
Tredinnick, David
Turner, Mr. Andrew
Tyrie, Mr. Andrew
Vara, Mr. Shailesh
Viggers, Peter
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Walter, Mr. Robert
Waterson, Mr. Nigel
Whittingdale, Mr. John
Wiggin, Bill
Williams, Hywel
Wilshire, Mr. David
Wilson, Mr. Rob
Winterton, Ann
Winterton, Sir Nicholas
Wright, Jeremy
Young, rh Sir George

Tellers for the Noes:
Mr. John Randall and
Michael Fabricant

Question accordingly agreed to.

Madam Deputy Speaker *forthwith declared the main Question, as amended, to be agreed to.*

Resolved,

That this House welcomes the judgement in the recently concluded Railtrack court case which, after weeks of evidence fully tested by cross examination, completely dismisses the claimants' allegation of wrongdoing on the part of Government; further welcomes the fact that the judgement exonerates entirely the way the Government responded to its growing concerns about Railtrack's financial position and the propriety of the process that led to Railtrack being put in Administration, including the Government's stance in relation to the Rail Regulator; notes that the judge described Railtrack's request for unlimited public funding and support, which was made in part to maintain its share price, as a "hopeless proposition"; and that there were good public reasons for the policy developed; congratulates the Government for bringing under control the situation which resulted from the previous Government's botched privatisation and putting ownership of the track into the hands of a not-for-dividend company operating in the broad public interest; and recognises the significant progress that is being made by Network Rail in improving performance on the railway and in bringing costs under control, in stark contrast to the management incompetence shown by Railtrack.'.

Licensing Laws

Madam Deputy Speaker (Sylvia Heal): We now come to the motion on licensing laws. Mr. Speaker has selected the amendment in the name of the Prime Minister.

7.28 pm

Mrs. Theresa May (Maidenhead) (Con): I beg to move,

That this House notes the growing public concern that the Licensing Act 2003 will increase levels of violent crime and anti-social behaviour; observes that the cost to the taxpayer of rising alcohol-fuelled crime and disorder is already £12 billion a year; objects to the presumption in favour of late-night drinking irrespective of the views of local residents and local representatives; disapproves of the disproportionate burden of administration and increased costs for village halls, sports clubs and community centres; calls for local councils to have greater discretion to take into account the interests of their local community; and calls on the Government to cancel the full commencement of the Act and overhaul the primary legislation.

It is a matter of record that, since the Committee stage of the Licensing Bill, my party has consistently raised our concerns about the implications of the Government's proposal to introduce extended licensing hours. Both in Committee and since, we have argued that the drinking culture in the UK—in particular, the culture of binge drinking and the explosion of alcohol-fuelled violence and antisocial behaviour—has made the Government's plans dangerous and foolhardy.

Ministers offered us a number of reassurances in Committee. At the same time as promising that Labour could not give a XXXX for drinking-up time, the Prime Minister was also pledging:

"We will tackle the unacceptable level of anti-social behaviour and crime on our streets. Our 'zero tolerance' approach will ensure that petty criminality among young offenders is seriously addressed."

The reality on our streets is very different. There are now 1 million violent crimes a year and, in the three months to June, police recorded 318,200 violent crimes—up 6 per cent. on the same period last year. A particularly worrying statistic is that half the violence is due to binge drinking.

Kitty Ussher (Burnley) (Lab): Is the right hon. Lady aware that the hon. Member for Witney (Mr. Cameron), the bookies' favourite to become the next Tory leader, has publicly declared his support for the Government? In the *Oxford Journal*, he said:

"The idea behind the Bill is to liberalise the licensing laws, simplify the system for getting an entertainment licence and let pubs stay open for longer, so long as there is no public nuisance. I would say 'amen' to all those things."

Given that—

Madam Deputy Speaker: Order. An intervention must be brief.

Mrs. May: We have always said that it is about getting rid of the binge drinking culture. There are indeed powers in the Bill that my hon. Friends and I welcome, but I wish to concentrate on extended licensing hours and the problems that they will cause for people up and down the country, including the constituency of the hon. Member for Burnley (Kitty Ussher).

Mrs. Cheryl Gillan (Chesham and Amersham) (Con): Two thirds of sentenced male prisoners—about 50,000 men—have admitted to hazardous drinking, and 25,000 of them have a severe alcohol dependency. Does my right hon. Friend agree that it is not surprising that the Government are in dereliction of their duty, because not one prison has a ring-fenced programme for dealing with alcohol problems?

Mrs. May: My hon. Friend has made an important and valid point. She has spent much time examining the issues that we need to address if we are to ensure that prisoners can deal with problems such as drink. Under the current arrangements, there will be even more problem drinking and it is likely that even more people will end up in the position that she highlighted.

Mr. John Gummer (Suffolk, Coastal) (Con): Has my right hon. Friend noticed that the point made in the earlier quotation from the *Oxford Journal* concerned the intentions behind the Act? Whatever those intentions were, the measure is badly constructed and has been badly introduced. The promises about safeguards that were made to our party and to others have been largely forgotten.

Mrs. May: My right hon. Friend is right. It is disappointing not only that those safeguards have been forgotten but that Ministers continue to give those assurances to this day, despite the fact that it is patently obvious that our concerns have not been met.

Mr. Gordon Marsden (Blackpool, South) (Lab): Everyone in the House shares the right hon. Lady's concerns about binge drinking, so I hope that she will not suggest otherwise, but will she address the facts on the table rather than the myths that are being peddled? Scotland has had staggered licensing hours for some years and everyone involved, including the Association of Scottish Police Superintendents, has concluded that they have had far fewer problems with binge drinking as a result. Why has the right hon. Lady not taken that into account?

Mrs. May: The Act has not resulted in staggered hours. Binge drinking is not a myth—it is a problem on the streets of our towns and cities. If the hon. Gentleman wishes to express concern about binge drinking, he has an easy option: he can join us and vote for the motion.

The cost to the taxpayer of the explosion of alcohol-fuelled crime and disorder is £12 billion a year, which is £5 billion more than the original estimate by the Downing street policy unit. I am not alone in thinking that extending licensing hours when we have an explosion of alcohol-related crime is sheer lunacy. Many hon. Members on both sides of the House have expressed concern about the impact of the new law. Earlier, in Culture questions, I cited the concern of

[Mrs. May]

three senior police officers, including Commander Chris Allison, the licensing spokesman for the Association of Chief Police Officers, who said:

"We are seeing hundreds of licensed premises applying for an extra hour during the week and two at weekends. People are going to drink more because of longer hours and there will be lots more crime and disorder."

The Secretary of State told me that I should not quote one senior officer selectively. I did not do so then and I will not now. The deputy chief constable of the British Transport Police warns that police believe that extending licensing hours could lead to

"more binge drinking and violence".

The chief superintendent of Derbyshire constabulary warned that

"all-night opening will have significant implications for both the police service and peace in the community."

He went on to say:

"Domestic violence often follows drinkers' arrival back at their home address. This is likely to be more frequent and prolonged than it currently is. This will affect violent crime statistics."

The deputy chief constable of north Wales said that it was "inevitable" that there would be

"an increase in violence of all types despite our best efforts".

I could cite more warnings. It is clearly not just me who is worried about the impact of the new laws.

Mr. Kevan Jones (North Durham) (Lab): I used to chair the public health committee at Newcastle city council. We conducted experiments during Euro 96 and on millennium eve, when we did not have any closing hours. The police are on the record as saying that far fewer people were arrested for violence and disorder on those two occasions than on a usual Friday or Saturday night. The right hon. Lady should consider that experience rather than picking out quotes.

Mrs. May: First—

Mr. Adrian Bailey (West Bromwich, West) (Lab/Co-op) *rose—*

Mrs. May: I accept that the hon. Member for West Bromwich, West (Mr. Bailey) is keen to intervene, but he might let me answer the question from his hon. Friend the Member for North Durham (Mr. Jones) before popping up to ask one of his own.

One cannot extrapolate consistent consequences from the experience of just two nights. The problem is not staggered hours but people being disgorged on to the streets at 1 or 2 am—

Mr. Nigel Evans (Ribble Valley) (Con): Staggering home.

Mrs. May: Indeed, the problem is people staggering home rather than staggered hours.

Mr. Andrew Turner (Isle of Wight) (Con): I wish to give my right hon. Friend a further example not only of a police officer objecting to the current arrangements but of the consequences of doing so. The chief superintendent in charge of the Isle of Wight police has complained that she cannot provide the resources to police Newport, Ryde and other towns at 3 or 4 am if long licensing hours are approved. The response of licensing officers for the Isle of Wight council was that that was not a valid objection under the law that the Government pushed through.

Mrs. May: My hon. Friend makes an important point and I shall come to the problem of valid objections. That chief constable is not alone in her worries about police resources. Many police forces up and down the country have said that it will be difficult for them, with existing resources, to manage extended licensing hours and the resultant problems.

Mr. Bailey *rose—*

Daniel Kawczynski (Shrewsbury and Atcham) (Con) *rose—*

Mrs. May: I shall give way first to the hon. Member for West Bromwich, West (Mr. Bailey), who has been assiduous in seeking to intervene, and then to my hon. Friend the Member for Shrewsbury and Atcham (Daniel Kawczynski).

Mr. Bailey: The right hon. Lady quoted selectively from ACPO, so may I give her another quote from that organisation? It says that

"it still has concerns about binge drinking and the consequences of longer opening hours in some cases. The answer to this is changing the behaviour of customers and proprietors as well as strong licensing regulations."

Does the Act not do just that?

Mrs. May: That is the whole point. The Bill does not do just that. I suggest that the hon. Gentleman look at the comments made by Commander Chris Allison of ACPO, who said:

"Since our first submission to the government in 2000, we have consistently raised genuine concerns over the possible effects of extending the hours during which people can drink given the culture of excessive drinking that already pervades our society."

That is the point. The Bill does nothing to destroy that culture of excessive drinking. In fact, it encourages it.

Daniel Kawczynski: My right hon. Friend said that the Act would adversely affect constituents in towns and cities. I would also like to mention the many people in the rural villages near Shrewsbury in Shropshire. Many senior citizens have come to my surgery to tell me how worried they are about the effect that the legislation will have on village life, with some pubs planning extensions until 4 am. Many senior citizens choose to live in small rural villages so as to have a peaceful, quiet life.

Mrs. May: My hon. Friend is right. People's quality of life will be badly affected when the legislation comes into force, but even at this late stage the Government have an opportunity to think again.

Mrs. Madeleine Moon (Bridgend) (Lab): Will the right hon. Lady give way?

Mrs. May: No, I want to make some progress.

It seems that the Prime Minister agrees with us about the binge drinking culture. Last year, he said that

"as a society, we have to make sure that this form of what we often call binge-drinking doesn't become a new sort of British disease".

I say to all Labour Members that there is one way to do something about that: they should vote with us tonight to tell the Government not to extend licensing hours, because that will encourage the binge drinking culture.

David Taylor (North-West Leicestershire) (Lab/Co-op): Will the right hon. Lady give way?

Mrs. May: No, I want to continue to make some progress.

In previous debates, and during Culture questions today, Labour Members have raised the issue of police powers to tackle the problem. However, I question whether existing powers are being used to tackle under-age drinkers and other problems related to drinking. The number of people found guilty of, or cautioned for, offences of drunkenness has fallen by almost 10,000 since 1997. The number of people under 18 found guilty of, or cautioned for, buying intoxicating liquor has fallen by 81 per cent. since 1997. In 2003, only 53 teenagers were found guilty of, or cautioned for, buying or trying to buy alcohol. I would welcome new powers to deal with the problems of alcohol and young people, and with problem pubs and clubs, but existing powers also need to be used effectively. It is rich of the Government to say that the Act must go ahead because it gives the police extra powers to deal with problem drinking when it will actually exacerbate the problem.

When the legislation came before Parliament, colleagues on both sides of the House were given certain assurances, as my right hon. Friend the Member for Suffolk, Coastal (Mr. Gummer) said. Ministers claimed that the new laws would give greater powers and discretion to local councils, and that local residents would have greater powers to deal with rowdy pubs and to shut down those that encouraged violent or antisocial behaviour. We were also assured, time and again, that the new laws would lead to the introduction of what the Prime Minister calls a European-style café culture. Tell that to the Council of Her Majesty's Circuit Judges, which, in its submission to Home Office consultation earlier this year, warned that

"those who routinely see the consequences of drink-fuelled violence in offences of rape, grievous bodily harm and worse on a daily basis, are in no doubt that an escalation of offences of this nature will inevitably be caused by the relaxation of liquor licensing which the Government has now authorised. We regard it as simply wishful thinking to suppose that the introduction of the Licensing Act will bring about the cultural change which Government envisages".

Mrs. Moon: I find it incredible that, at this late stage, the Opposition are objecting to an Act that will expand police powers, give local authorities additional powers to refuse licences and enable tougher action on under-age drinking. More importantly, in January 2005, the current leader of the Conservative party said:

"If a local authority is given real power to decide, which the Government is not giving them, and if the local people in the area say, 'We'd like 24-hour drinking', why shouldn't they have it?"

Now—

Madam Deputy Speaker: Order. Interventions must be brief.

Mrs. Moon: It just seems that there has been a change of attitude on the Conservative Benches.

Mrs. May: I would welcome greater powers for local residents to have a say in what happens in their locality but, while the role of the magistrates has been transferred to local councils, the result of the Act in practice is that the new system fails to provide a proper say for local communities.

Mrs. Joan Humble (Blackpool, North and Fleetwood) (Lab): Will the right hon. Lady give way?

Mrs. May: No, I want to make some progress.

Let us examine the detail of the Act's implementation. Applications are automatically granted unless an objection is made. However, only certain people are allowed to object. For example, residents can object only if they live in the immediate vicinity of the premises concerned. The definition of "vicinity" is down to the local authority. There are plenty of examples of local authorities that have adopted definitions such as 100 yd or 150 m, which has resulted in people being unable to object to applications for licence extensions until 6 am because they live 150 yd away from the pub or nightclub. They are told that they cannot object because they do not live close enough to it. Those who decide to take their objection to a magistrates court find themselves threatened with legal bills of thousands of pounds because they are responsible not only for the licensee's costs but for the costs of the local authority.

Mrs. Humble: May I express my concern at the right hon. Lady' s lack of faith in local authorities? In Blackpool, the local council has certainly not decided on some arbitrary distance from an establishment. It has allowed anyone in the town to object to a licence application. Those objections then go to the licensing panel, which listens to everyone who has made an objection. It listens to the police and to the local community before reaching an informed decision on behalf of the people it represents. Will she acknowledge the hard work carried out by local councils—

Madam Deputy Speaker: Order. Again, I must say that interventions must be brief.

Mrs. May: If there is a council that is genuinely taking local people's concerns into account, I am pleased to hear it. However, the hon. Lady might wish to go back to her local council and point out that, under the terms of the Act, it can take representations and objections only from people who live in the vicinity of the establishment concerned and that, under the DCMS guidelines, it has to give a definition of what "in the vicinity" means.

Bob Russell (Colchester) (LD): Is the right hon. Lady aware that counsel's legal opinion given to Colchester borough council is that elected councillors are not

[Bob Russell]

permitted to make representations on behalf of their constituents unless they have received a letter from a constituent first?

Mrs. May: The hon. Gentleman makes an important point, which I shall address in a moment.

Greg Clark (Tunbridge Wells) (Con): Is my right hon. Friend aware that parish councils are not statutory consultees under the Licensing Act? Is not that a scandalous omission, since they can best reflect the impact on their communities of a proposed application?

Mrs. May: Indeed. I fear that that represents yet another example of the Government's attitude towards parish councils—trying to sideline them at every opportunity.

When I referred to the costs incurred by people taking their objections to the magistrates courts, I noticed the Under-Secretary of State for Culture, Media and Sport, the hon. Member for Stalybridge and Hyde (James Purnell) sitting with a smile on his face, apparently suggesting that I was wrong. I suggest that he talk to Labour councillors in Newcastle, where two councillors have been left with a £2,100 bill as a result of taking an appeal to the magistrates court. That is the kind of bill that people are facing.

So much for this legislation giving local people more powers. In reality, there are few powers to hold pubs and clubs responsible for rowdy or drunken customers once they are outside the licensed premises, even if the nuisance was caused by the pub having served them the alcohol in the first place. Councils and police cannot use nuisance and noise from outside a licensed premises as grounds for a closure order against a particular venue. Pubs and clubs can only be penalised if they make excessive noise from inside a pub, so licensed premises cannot be held responsible for the antics of their drunken customers leaving in the early hours, ruining the lives of those living nearby in the process. Again, as Commander Chris Allison of the Association of Chief Police Officers has said:

"We cannot just willy-nilly object because as soon as we object to a licence the licensee has a right to appeal and we have to provide evidence linking the premises with disorder. Often the disorder is a half-mile or more away from pubs".

Mr. Evans: Noise is not just car doors slamming, taxis drawing up and the general noise that comes with people leaving a pub very late at night. Many pubs also have beer gardens and people who live in the surrounding area might easily be kept awake until 1 or 2 am. The quality of their lives will be affected.

Mrs. May: That is exactly what this is about: binge drinking and its impact not only on those who indulge in it but on local residents who live around such pubs, whose lives will be made a misery as a result of this Government's legislation.

Jim Sheridan (Paisley and Renfrewshire, North) (Lab): The right hon. Lady is right to identify irresponsible licence holders or retailers selling alcohol, but she will also be aware that the Violent Crime Reduction Bill contains a provision to deal with them. Can she explain why her party voted against it, as did the Liberals and the nationalists?

Mrs. May: If the powers are there to deal with irresponsible licence holders, I suggest to the hon. Gentleman that if he wants to do something about binge drinking, he vote with us tonight to ensure that this Government do not implement an Act that can only lead to more violence and disorder on our streets.

Mr. David Heath (Somerton and Frome) (LD): To return to what can be considered by a licensing committee, the advice given to one such in my constituency is that, in the absence of police evidence, it cannot consider complaints from people who live in the vicinity of a pub about what has happened. Given that the rural police force is rather stretched in my part of the world, it is unlikely that such evidence will be brought forward by the police.

Mrs. May: Indeed. Of course, given that the police must bring forward evidence that there is disorder related to the pub rather than disorder in the streets, I assume that, effectively, there can be no objections—

Mr. Heath: A rubber stamp.

Mrs. May: Indeed, it is just a rubber stamp. So much for local accountability.

David Taylor: Will the right hon. Lady give way?

Mrs. May: No, I shall make progress.

The hon. Member for Colchester (Bob Russell) raised the issue of councillors and their position. We were told that they would have far more powers to tackle nuisance pubs, but, as he says, they cannot lodge an objection in their own right in their capacity as ward councillors. They cannot consider licensing applications from their wards as they might be biased in favour of local residents and, despite having a democratic mandate from local residents, they can object only if they live in the vicinity. In such circumstances, the code of conduct for councillors states that they have a prejudicial interest and should not be allowed even to address the licensing sub-committee, so they cannot speak up, residents are disqualified even if they live close to the pub, and police cannot object—hardly the brave new world of local accountability promised by the Government.

We believe that it is dangerous, indeed reckless, to press ahead with extending licensing hours in this way. It is simply not good enough for the Government to light the blue touch paper and retire to a safe distance. The consequences for our society are too great. Does the Secretary of State really believe that, if pubs are open longer—substantially so in many cases—people will not drink more? If she does, she should speak to David Daly, president of the National Association of Licensed House Managers, who is quoted in a newspaper today as calling these reforms "an absolute cock-up". He represents 3,000 managers of larger chain-owned pubs, and he has said:

"How we make our money is to make people binge drink".

He continued:

"Our fear is that managers will be pressured into selling more and more alcohol in a way that is not responsible. There is no doubt that people will drink more."

It does not take much to work out that, if pubs are open longer, people will drink more.

The Minister assured us when the Bill was passed that brawls at chucking-out time would end and that staggered closing would be introduced. What the licensing laws do is to impose less, not more, flexibility for local councils in deciding closing times, because the Government's guidance explicitly states that councils are to be discouraged from determining fixed closing hours or introducing staggered closing times. Yet stopping the pinch-point of people leaving at the same time was precisely one of the reasons why the Bill was supposed to have been introduced in the first place.

Rob Marris (Wolverhampton, South-West) (Lab): Will the right hon. Lady give way?

Mrs. May: No, I have been generous in giving way, and I will make progress.

We have major concerns about the implications of the law in one final area: supermarkets. We have already heard about the problems of teenage drinking. The new laws allow for supermarkets that have planning permission to open 24 hours to sell alcohol during the same period and the Department for Culture, Media and Sport guidance creates a presumption in favour of 24-hour supermarkets having a 24-hour licence for off-sales. We all know the problems caused by many under-age drinkers having access to alcohol as a result of being able to buy it in supermarkets and shops. In effect, we are making it easier for young people to buy alcohol. That does nothing to alleviate the problems of binge and under-age drinking in this country.

We have heard from Ministers previously about those who do not want the changes postponed. They have cited ACPO and the Local Government Association, but they have not cited the growing list, from the judiciary to police officers, from the British Medical Association to the Royal College of Physicians, all of whom warn of the devastating consequences of pressing ahead with the Government's plans. Those are not groups with a political axe to grind—

Mr. Kevan Jones: Ho, ho.

Mrs. May: I am sorry that the hon. Gentleman thinks that the judiciary and the BMA have a political axe to grind. Those are people talking about their experience of what happens with drunkenness on our streets and the violent crime that results from it. They are not people who, as the Minister has accused me of doing in the past, are playing politics. They are concerned people who deal with the consequences of the Government's folly. We can add to that list the many people living near pubs and clubs whose lives will be made that little bit more of a misery when the pub closes not at 11 pm or midnight but 1 or 2 am or later. They are worried, if not frightened, residents who will have to live with the consequences of extended drinking hours.

It is not too late for the Government to listen to the police, the judiciary, doctors and voters up and down the country and say, "Yes, we got it wrong. Let's abandon these plans for extended licensing hours. Let's work together to get rid of the binge drinking culture that damages our society." The question is not whether the Government are wrong, but whether the Secretary of State will have the guts to admit that the Government are wrong, and take this last chance to do something about it.

7.58 pm

The Secretary of State for Culture, Media and Sport (Tessa Jowell): I beg to move, To leave out from "House" to the end of the Question, and to add instead thereof,

"commends the Government on its effective publicity campaign that, together with the excellent work of licensing authorities, has resulted in 97 per cent. of those needing to make applications having done so, with the expectation that virtually all those who want a licence will have the necessary licence by 24th November; welcomes the involvement of more local residents than ever before in the licensing processes and their ability to influence the hours that premises open near their homes; notes that there is no presumption in favour of late night drinking in the Act and that it is for licensing authorities to decide appropriate hours of trading where any dispute arises; considers that the implementation of the powers to review premises licences after 24th November are a vital step in fighting anti-social behaviour; and believes that delaying the implementation of the Act would be contrary to the wishes of the police, licensing authorities, the Central Council of Physical Recreation, Action with Communities in Rural England and industry and would be an unacceptable waste of the resources and effort put in by those who have been preparing for full implementation since 7th February 2005."

It is the third time this year that Opposition Members have brought to the House the same old argument that the Licensing Act 2003 should not be implemented. As we have heard, they have put forward not a single constructive alternative, laying sins at the feet of a piece of legislation that has not yet been implemented. That argument is just about the most consistent thing about their position on the matter. For all their bluster, they failed to vote against the Bill's provision on extending opening hours when they had the chance to do so, and neither the Conservatives nor the Liberal Democrats tabled any amendments to the provisions about flexible hours in Committee or on Report. Nor did any of their Front Benchers speak against the provisions. Indeed, the predecessor of the right hon. Member for Maidenhead (Mrs. May), the hon. Member for Maldon and East Chelmsford (Mr. Whittingdale), who is currently in the Chamber, said:

"As we made clear on Second Reading, we accept the need for reform of our licensing laws. We support some elements of the Bill. We agree, for instance, with the need for greater flexibility in opening hours, and we accept the argument for doing away with the universal chucking-out time."—[*Official Report*, 16 June 2003; Vol. 407, c. 172.]

So what have the Opposition done? Yet again, they have caught sight of a passing bandwagon and jumped right on to it.

Kelvin Hopkins (Luton, North) (Lab): My right hon. Friend will recall that, both in writing and in conversation with her, I expressed my deep reservations about the extension of licensing hours. I voted for the Licensing Bill in the end because she undertook to review the operation of the Act. If Britain's alcohol problems become worse, will the Government commit themselves to changing the law again in the future?

Tessa Jowell: I have made clear, as has the Under-Secretary of State, my hon. Friend the Member for Stalybridge and Hyde (James Purnell), that the guidance will be reviewed, as will the implementation of the Act. Of course, given that the Act's intentions are to tackle alcohol-related crime and disorder, reduce public nuisance, increase public safety and protect children from harm, when we review it we shall do so in the context of its success in those four licensing objectives. With great respect to my hon. Friend, I think that that goes without saying.

Mr. Don Foster (Bath) (LD): There may be some agreement on just one aspect. Does the Secretary of State agree that if she is to fulfil the promise that she just gave the hon. Member for Luton, North (Kelvin Hopkins), there is one crucial requirement? Before anyone can conduct an assessment of the impact of the law, there must be agreed benchmarks against which judgments are given, but so far the Secretary of State has refused to consent to the establishment of such benchmarks. Will she now at least do that?

Tessa Jowell: When the Act is implemented, we will set out the proposals for review, the terms of reference for review, and the way in which it will be conducted. I shall not be drawn into discussing the methodology at this stage, but we should be clear about one thing: it is this Government who have shown dedicated commitment to tackling alcohol-related violence, and the purpose of any review of the Act will be to ensure that if further improvements can be made, they are made so that the Act does that more effectively.

Mr. Evans: Will the Secretary of State give way?

Tessa Jowell: No, I want to make some progress.

The right hon. Member for Maidenhead (Mrs. May) has failed to persuade the House before, and I believe that she will do the same today. The facts are simply not on her side; nor are the vast majority of experts in this business. The Association of Chief Police Officers, for instance, recently confirmed that it did not want implementation of the Act delayed. Local councils, as the new licensing authorities, have put enormous effort and good work into delivering the requirements of the transitional period, and I congratulate them on that. Only recently, the Local Government Association confirmed that it did not want that effort to be wasted.

Mr. Kevan Jones: People with direct interests include the hon. Member for Witney (Mr. Cameron), who, along with me and other Back Benchers, tended to make supportive noises about the Bill before it came into being. Although as company directors such people have a vested interest, they have supported the legislation nevertheless.

Tessa Jowell: I agree with my hon. Friend.

Sandy Bruce-Lockhart, Conservative chairman of the Local Government Association and leader of Kent county council, is on record as saying:

"We support the Licensing Act and are fully committed to ensuring it is successfully implemented on 24 November."

In recent weeks, the Central Council for Physical Recreation has also confirmed its opposition to delay. It represents sports clubs that have gone through the conversion and variation processes, and have paid their fees. Then there are the tens of thousands of small businesses that have paid for their new licences and expect to see the benefits on 24 November.

Mr. Marsden: What would my right hon. Friend say to the proprietors of the hundreds of small guest houses, clubs and other organisations in Blackpool that have already taken out licences if the advice offered to us by the right hon. Member for Maidenhead (Mrs. May) were taken and commencement were delayed?

Tessa Jowell: The result would be chaos, confusion, and damage to those small businesses, which are a very important part of the tourism industry on which Blackpool relies.

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. I understand the right hon. Lady's desire to respond to an intervention from her own Benches, but she should not turn her back on the Chair. More important from her own point of view is the fact that the microphone will not pick up her voice.

Tessa Jowell: I am grateful for your advice, Mr. Deputy Speaker.

The right hon. Member for Maidenhead ignores local residents who have engaged in the process of licensing in greater numbers than ever before. Their time and effort in objecting to variations, where they have done so, would be wasted if she had her way.

We have already heard this evening about at least one Conservative Member with very strong views on the Act, who believes that it is rooted in common sense. He is such a keen proponent that he has been a director of the drinks company Urbium. His name has been mentioned a number of times this evening: he is, of course, the hon. Member for Witney (Mr. Cameron), and I believe that the right hon. Member for Maidenhead is backing him for the party leadership. Her position on the Licensing Act could just be a rather bad career move. The obvious conclusion is that the right hon. Lady and other Conservative Members would rather keep the status quo, which gives rise to all these problems, than come up with the practical solutions advocated by the police and others.

Mr. Evans: None of us is suggesting that there should be no change. We want the problem of binge drinking to be tackled, for instance.

The Secretary of State has quoted many people tonight. What does she think of the comments of Dave Daley, head of the National Association of Licensed House Managers? According to yesterday's edition of *The Observer*, he said that house managers were already being incentivised to the tune of £20,000 to ensure that people stayed in the pubs after 11 pm, drank doubles rather than singles, and drank more shots in between. There is a policy that encourages people to binge drink.

Tessa Jowell: Pubs that act in that way risk being closed for breaching their licence conditions. The law

has been strengthened. The voluntary code is being developed, and if licensees do not adopt it, it may become a licence condition. Pubs and clubs that think that that is how the new legislation benefits them should beware, because they risk losing their licences and their livelihoods if they behave in such an irresponsible fashion.

Mrs. May: Will the Secretary of State give way?

Tessa Jowell: No, I will not.

Research and police evidence clearly show—the Act is predicated on this—that there are two surges in street disorder, at 11 pm and at 2 am. Those are the chucking-out times for pubs and clubs. Pubs that chuck people on to the streets at exactly the same time generate the drunken loutishness that is captured on CCTV and in our newspapers throughout the summer. We know that the national curfew, dating from 1917, does not curb disorder but makes it worse, and we know that it does not prevent alcohol misuse but makes that worse as well.

Rob Marris: My right hon. Friend has touched on a point that was raised by the right hon. Member for Maidenhead (Mrs. May) at least three times, relating to staggered hours. Staggered closing times are very desirable. In Wolverhampton—the premier nightclub spot in the west midlands, of course—that is effectively what we have had, thanks to the closing hours granted by the licensing committee. They have de facto led to staggered hours, but other places do not currently operate such hours, given that many establishments empty out at 2 o'clock in the morning.

Tessa Jowell: My hon. Friend draws attention to an example of very good licensing practice in his constituency.

The curfew ensures that the law-abiding millions in this country, who might like the chance to enjoy a night out beyond 11 o'clock, are not allowed to do so. Meanwhile, those who do not abide by the law get away with doing so more often than not, because the police simply do not have the necessary powers to take decisive action. So in punishing everyone for the crimes of the minority, we have managed to deprive them of one of their freedoms of choice, and have done little to punish the minority.

All that will change on 24 November. At last, the balance will be tipped the other way. Adults will be given the freedom to have a drink after 11 o'clock, if the local authority and local residents agree. New and locally accountable procedures will ensure that the community decides whether to vary opening hours.

Several hon. Members *rose—*

Tessa Jowell: I shall give way to the hon. Member for Shipley (Philip Davies).

Philip Davies (Shipley) (Con): I am incredibly grateful to the Secretary of State for giving way. I am very intrigued by her comments about local accountability. Will she address the point raised by my right hon. Friend the Member for Maidenhead (Mrs. May) and the hon. Member for Colchester (Bob Russell), who said that local councillors, whose job it is to represent local people, are not allowed to speak up at licensing meetings on behalf of residents in their own wards? Unless they go through the convoluted process of putting such points in writing, they cannot represent their own constituents. Is that not outrageous?

Tessa Jowell: If it were true, it would be outrageous, but the fact is that where local councillors are acting as representatives of those whom they represent, they have the power to do just that—to represent them.

Several hon. Members *rose—*

Tessa Jowell: I am going to make some progress.

The quid pro quo that this Act creates for the majority is also matched by the introduction of draconian new powers for the police to mete out swift and heavy punishment to the pubs and drinkers who abuse that new freedom. They can fine people on the spot for disorderly behaviour, and they can close down pubs that cause a nuisance. They can take away licences, and they will soon be able to declare an area that is persistently disorderly as an alcohol disorder zone, in which publicans will have to pay a levy to help cover the costs of extra policing. In addition, for persistent offenders there will be drink banning orders. Make no mistake: from 24 November, yobs will have to answer for their behaviour in a way that they have never experienced before.

David Taylor *rose—*

Tessa Jowell: I want the police authorities to know that they have the Government's full backing to use the new powers conferred on them to the full. I want publicans to understand that they have a duty of care to their customers and to local residents. The majority run respectable houses, and they will get the support that they need to keep things that way. But publicans who run disorderly pubs—who turn a blind eye to under-age drinking and persistently serve people who are already drunk—are on notice. I say to them directly that they have a month to mend their ways.

Mr. Philip Dunne (Ludlow) (Con) *rose—*

Tessa Jowell: The House will remember that in July, the Opposition predicted that there would be chaos by November as the process of applying for new licences collapsed; that the Government had not done enough to publicise the requirements; that not enough applicants would have applied; that the views of residents would be ignored; and that licensing authorities would be unable to cope with the 6 August deluge. I can tell them today that they were wrong on all counts. We expect almost 100 per cent. of the premises that need licences to have them by 24 November. Application rates have already passed 97 per cent., and the publicity efforts of central Government, local government and industry—working in an effective partnership—have worked well. Residents have engaged with the system in large numbers, as we hoped they would, because of the new democratic accountability that we have brought to the system, giving power to local communities.

Mr. Paul Truswell (Pudsey) (Lab): My right hon. Friend alluded to the contribution that local residents can make to the process, and in practical terms that reflects what has happened in my constituency. As part of the review, will she revisit the notification process? Many people still have not seen the blue notices in the premises or the newspaper adverts. Will she also confirm that local authorities and councils can notify residents that an application has been submitted?

Tessa Jowell: I thank my hon. Friend for that intervention and I can confirm that last point. I also undertake that when we review and update the guidance, because we will have moved beyond the transition period, we will certainly take account of the point that he makes.

Several hon. Members *rose—*

Tessa Jowell: A large percentage of those who have become involved in local representations have influenced the outcome by securing changes in the opening hours of premises near their homes.

Mrs. May: Will the Secretary of State give way?

Tessa Jowell: I will not give way. The right hon. Lady has had plenty of time to make her points, and many Back Benchers wish to speak.

Some 95 per cent. of cases in which representations were made have been successfully negotiated with the local authority and the licensee. So having painted a lurid picture of chaos on our streets, the question that the right hon. Member for Maidenhead should answer is: which of the police's new powers does she want to delay? Does she want to delay the police's extended closure powers in respect of individual premises? Does she want to delay the new closure powers for environmental health officers? Does she want to delay the increased penalties for breaches of licence conditions—a point that was raised earlier? Does she want to delay the increased penalties for selling alcohol to children? Does she want to delay the tough new penalties for irresponsible retailers?

David Lepper (Brighton, Pavilion) (Lab/Co-op) *rose—*

Tessa Jowell: Does the right hon. Lady not approve of those powers? Does she not want to see changes to our drinking laws that increase protection for children? Is she happy that children can be sold alcohol in some 20,000 members' clubs and on booze cruises? So the police and environmental health officers will have new powers concerning the protection of children, the promotion of public safety, the prevention of public nuisance and the prevention and reduction of crime and disorder.

I listened carefully to the speech of the right hon. Member for Maidenhead, but I remain unclear as to what she wants. At best, she seems to want to wreck the Act, even though that would mean a continuation of the problems.

Mrs. May *rose—*

Tessa Jowell: The fact is that binge drinking is a problem now. The Licensing Act forms part of the solution, and it is a crucial part of our strategy for combating alcohol-rated harm, but the national problem of alcohol abuse has many roots. This legislation is a necessary, but not of itself a sufficient, part of the cure. That is why, in partnership with the alcohol industry, a standards and principles document is being developed under the alcohol harm reduction strategy. It will be a voluntary code, but those parts of the industry that do not sign up to it will make themselves targets for review under the Licensing Act. So they should consider themselves on probation.

The code will promote a more responsible approach to sales promotions, happy hours and the various promotions that can cause binge drinking and the like. It will ensure that better training becomes a high priority for the industry, and it will set out examples of good practice.

David Taylor: Will my right hon. Friend give way?

Tessa Jowell: I want to make some progress.

The alcohol harm reduction strategy will also focus on education. There will be new teaching materials for educating the public and educating our children in schools about problems associated with alcohol. The Violent Crime Reduction Bill will add to the measures for tackling the problems that alcohol misuse can cause. It will include drink banning orders to exclude violent and antisocial drinkers from premises that sell alcohol. It introduces alcohol disorder zones, enabling the police and local authorities to put in place action and measures to combat the problems of alcohol-related crime and disorder and to charge the premises selling alcohol for the additional enforcement costs when that becomes necessary.

Bob Russell: Who would initiate that process if the problems that the Secretary of State has mentioned occur? Would a local councillor have the right to initiate it?

Tessa Jowell: As the hon. Gentleman is aware, those powers have been greatly argued for by the police and are supported by local authorities. They are still subject to debate in the House, but I expect that the advocates of crime reduction on behalf of both the police and local authorities will ensure that their voices are heard and are represented in the legislation, although the way in which representations can be made has not yet been settled.

The Bill will also expedite fast-track reviews, where serious crime—drug dealing or the use of guns and knives—is associated with any premises. It will also create a Licensing Act offence of persistently selling alcohol to children and a new power to ban the sale of alcohol for up to 48 hours at the premises where the offence is committed. That is extremely important for addressing the current problem that much of the alcohol consumed by young people is bought not from pubs, but from off-licences.

David Taylor: My right hon. Friend makes a powerful case for how the legislation will help to tackle binge and under-age drinking. Does she believe that the Liberal

Democrat policy of lowering the licensing age to 16 is, in the current circumstances and against the backdrop of these events, utterly irresponsible?

Tessa Jowell: I hope that it is not too unkind to say that it is not unusual for the Liberal Democrats to come up with policies that are impractical and inconsistent. This is yet another example.

We take the issue of binge drinking and alcohol-fuelled violence very seriously indeed. We know that the Act and other measures will have an impact on every high street and just about every person in the country. That is why we shall tread with great care and review the operation of the Act carefully. However, if the right hon. Member for Maidenhead has her way, we shall be asking the police to fight 21st century yobs with 19th century laws. It simply will not work—*[Interruption.]*

Several hon. Members *rose—*

Mr. Deputy Speaker: Order. It is clear that the Secretary of State is not willing to give way.

Tessa Jowell: The right hon. Lady should accept that she is wrong and that the very worst option is to continue as we are. That is all that the Opposition offer. On the Government side, we recognise the scale of the problem that the country faces and we recognise that the present law infantilises millions, while giving the yobbish minority free rein. We have done something about it, while the Conservative party flip-flops and operates in an entirely opportunistic way.

This country has a real problem with drink and disorder, and the Licensing Act will go a long way to tackling it head on. I urge the House to reject the Opposition motion, which is uninformed, opportunistic and denies the police the essential powers to tackle this 21st century problem. I therefore urge the House to support the amendment and reject the motion.

8.25 pm

Mr. Don Foster (Bath) (LD): May I say that I have great respect for the Secretary of State and congratulate her again on her role in bringing the Olympics to London? I notice that she has been nominated by *The House Magazine* as one of its Ministers of the year, but on the basis of tonight's performance I do not believe that her chances of winning will be much good—*[Interruption.]* On the basis of tonight, I have to say that.

The Secretary of State has been very clear: she believes that this country has a serious problem with binge drinking. On that, we agree. She believes passionately that the new Licensing Act will help to solve that problem. On that, however, we fundamentally disagree. We believe that the Licensing Act should be placed on ice until binge drinking is brought under control. Similarly, in view of what the hon. Member for North-West Leicestershire (David Taylor) said, let me make it clear that, while the current binge drinking problem remains, no party would be responsible if it urged a reduction in the age at which people can buy alcohol. There, I am expressing the policy of the Liberal Democrats.

David Taylor: I am pleased to hear that evidence of a U-turn, albeit one performed behind a smokescreen. Does the Liberal Democrat spokesman agree that concern about binge and under-age drinking has been evident for a significant period and stretches back at least to the time of the Standing Committee examination of the Licensing Bill? Will he confirm that Liberal Democrat members of the Committee tabled no amendments, at no stage voted against clauses dealing with flexible licensing hours, and, indeed, nodded through the relevant legislation, as we have come to expect from Liberal Democrats in this place?

Mr. Foster: The hon. Gentleman is wrong: the Liberal Democrats voted against the legislation—full stop. That is clearly on the record. He should take into account what his Secretary of State said. She referred to a number of issues that she claimed had not been argued by either of the Opposition parties. She failed to point out, of course, that many of the issues came to light not in Committee, but in the regulations that resulted at a later stage. Many of those regulations are creating many of the current problems. The hon. Gentleman should also be aware of the huge delay. The Government have only just finished consulting—despite the fact that the Act was passed in 2003—on what to say about temporary events notices, which have not yet been debated on the Floor of the House. The hon. Gentleman really needs to check his facts about what the Liberal Democrats and others did during the Bill's passage.

I understand entirely where the Secretary of State is coming from. She and the hon. Member for North-West Leicestershire have said that we have a serious problem with binge drinking, but the real problem is that it is getting significantly worse every year. The figures are clear. The British crime survey released last week shows a 12 per cent. increase in violent assaults, in which alcohol was a major contributing factor. There has been a 15 per cent. rise nationally in

"violent offences committed in connection with licensed premises",

which amounts to almost 1,000 a week. Last year, there were an estimated 116,000 violent incidents against national health service staff—318 a day. Incidentally, that is 20 times the number of arrests at a football match.

Health problems are deeply concerning and getting worse. There has been an 18.4 per cent. increase in alcohol-related deaths over the past year. The overall cost of alcohol to the health service and others is about £20 billion a year, with one in 13 adults dependent on alcohol and nine children being admitted to hospitals in England every day with alcohol-related problems. The Secretary of State is right; we have a very serious problem, and, sadly, it is getting worse.

The real question for the House is whether the Licensing Act will help to solve that problem or make the situation worse. Much has already been said about the Government's motives for introducing the legislation. Their motives were clear. We saw them in that infamous text message:

"Couldn't give a XXXX 4 for last orders? Vote Labour for extra time."

Today, the Minister said that he regretted that, and the Secretary of State has said that it was silly. Nevertheless, it gave the public the clear impression that the

[Mr. Foster]

Government were not interested in solving the problems of binge drinking, but were much more concerned with garnering the youth vote.

The Secretary of State said the message was silly and the Minister said it was unacceptable, but the spin continues. On the departmental website, we can read the regular bulletin "Licensing Countdown". I have in front of me the October 2005 edition. What sort of spin are the Government putting on it? Is it all about getting rid of binge drinking? What does the headline say? It says:

"Calling time on last orders."

That is hardly an indication that the Government are cracking down on binge drinking. The bulletin continues:

"During the summer the Government made an order confirming 24th November as the eagerly awaited 'second appointed day'."

Apart from the Minister and the Secretary of State, I know of few people who are eagerly awaiting 24 November, with all the chaos that will then be created on our streets.

Stephen Hesford (Wirral, West) (Lab): If the hon. Gentleman was serious and genuine in what he is saying, why are people up and down the country, such as the Oxton Liberal Club in my constituency, applying for an extension of hours? He is criticising that, so what does he have to say about it?

Mr. Foster: I do not know the details, but if the Government create legislation and, as we have already heard, give opportunities for the licensing trade to increase what it earns, I am not surprised that people pursue such opportunities. I want clear Government legislation that gives people who want to drink responsibly the opportunity to do so without the rest of us having to deal with the problems of irresponsible drinking, of which there is, sadly, far too much in this country. Sadly, the problems are growing.

Stephen Hesford *rose—*

Mr. Foster: I want to make some progress.

I want to point out why the Government are wrong in their belief that the Licensing Act will help to solve the problem. In fairness, the House needs to hear their reasons. I would have thought that the Government would give us research evidence to show that increasing the availability of alcohol would in some way help to deal with the problem of binge drinking. The Government have not given us that evidence, but several respected bodies have done so. All Members have received an extremely useful briefing from the Parliamentary Office of Science and Technology—"Postnote", which, under the heading "Binge Drinking and Public Health", makes it clear that in countries with an existing binge drinking problem increasing the availability of alcohol leads to an increase in the amount of drinking.

If the Secretary of State and the Minister do not want to take note of that research, far more is available. I have a pre-publication copy of the *International Journal of Drug Policy*, which states that

"past experience suggests that the new licensing arrangements risk leading to a rise in heavy drinking, illicit drug use, violence, morbidity and traffic accidents. The lack of attention the UK Government has apparently devoted to the experience of other countries where on sale availability has been extended is remarkable."

The Government simply have not done their homework or given us the evidence to show how the legislation will do what they say it will do—reduce the problems of binge drinking. Very few people believe the Government. Judges, health experts, the licensed industry, local authorities and the public simply do not believe that the reforms will help. Judges have described the legislation as "close to lunacy". Let me quote the submission by the Council of Her Majesty's Circuit Judges to the Government's consultation:

"Those who routinely see the consequences of drink-fuelled violence in the offences of rape, grievous bodily harm and worse on a daily basis are in no doubt that an escalation of offences of this nature will inevitably be caused by the relaxation of liquor licensing, which the Government has now authorities."

Health experts say exactly the same as judges. Professor Christopher Day, a liver specialist at Newcastle university, believes that the Government have deliberately downplayed the medical evidence. The Royal College of Physicians says that there is already an epidemic of binge drinking and that the Licensing Act 2003

"flies in the face of common sense".

As for licensed industry experts, the right hon. Member for Maidenhead (Mrs. May) quoted Mr. Dave Daley, the president of the National Association of Licensed House Managers, who described the reforms as "an absolute cock-up". *The Publican* says that three quarters of licensees think that extended licensing laws will not help binge drinking.

The public, too, are desperately concerned by what is going on. The British crime survey released last week shows that the number of people worried about public drunkenness and rowdy behaviour was up from 20 to 23 per cent. A BBC poll showed earlier this year that 67 per cent. of people thought that the Licensing Act 2003 would increase trouble on our streets, with 62 per cent. saying that it would make Britain a worse place in which to live.

Mr. Wayne David (Caerphilly) (Lab): I want to ask the hon. Gentleman a simple question: does he not think that the extended police powers will help in some of the situations that he describes?

Mr. Foster: If the hon. Gentleman will forgive me, I will answer his question in a second. Frankly, in her speech, the Secretary of Secretary gave up on all the other arguments and concentrated solely on the police powers, so they deserve a very serious response.

The Secretary of State prayed in aid local authorities. She said that they are very keen on the legislation and want all the reforms to go ahead; but, in fact, that is hardly the truth, as she knows because she is the one who received the letter, dated 30 June this year, from the chairman of the Local Government Association, whom she has prayed in aid. That letter actually said that

"this is a challenging time for all parties and councils cannot be held responsible for inherent flaws in the system which we advised against in the first place".

That is hardly a ringing endorsement for the Secretary of State's legislation. It is not surprising that, as we have heard, local authorities are concerned that they cannot fully engage residents in licensing decisions. They are concerned about the role that local councillors can and cannot play. They simply cannot believe it when the Government say that their legislation contains no presumption for longer hours. We have heard that there is no such presumption in the legislation, yet the guidance says that the Government

"strongly recommends that statements of"

licensing

"policy recognise that longer licensing hours . . .

are

"necessary to reduce the friction of"—

and it goes on to justify what the Government are doing.

Local authorities cannot understand why the Government are not prepared to give a clear, legal basis for saturation polices, which experts have described as a legal nightmare. They do not understand why the Government cannot give them better help than they have received so far from the Office of Fair Trading about the ability of local authorities to set minimum drinks prices in their areas and, incidentally, to do something about soft drinks. They fail to understand how the temporary notice procedures will help, rather than hinder. We have not yet debated those procedures in the House, so perhaps we will come back to them later. Like very many other people, local authorities are desperately worried about all the red tape and bureaucracy that the legislation has introduced.

The landlady of the Pig and Fiddle, an excellent pub in my constituency, has spent £37 just on postage stamps to send back the various forms for the four pubs for which she is responsible.

Mr. John Grogan (Selby) (Lab): What is the hon. Gentleman's opinion of the experience in Scotland, which has had longer and more flexible hours for some time? Will he be pressing his Liberal Democrat colleagues, who have some influence in the Scottish Parliament, to reduce opening hours to 11 pm? Surely that is the logic of his argument.

Mr. Foster: I never said I was in favour of 11 pm as a closing time. I hear what the hon. Gentleman says. As he asked the question, he will have assiduously studied what is happening in Scotland, and will know that that is under review. Being a firm believer in devolution, I will not tell the people of Scotland what they should do. However, I would gently recommend to them that they should not repeat the mistakes that we are making south of the border.

People in local authorities are confused about much of what is going on. For example, when the Government have a good idea—for once I agree with them—such as the "polluter pays" principle, whereby big pubs where lots of people go will pay more because they will have a greater impact on the surrounding area, local authorities fail to understand, as do I, why nightclubs will not have to pay the escalator charges, just because their primary purpose is not the sale of alcohol.

Local authorities are particularly perturbed about the Secretary of State's belief that the Government's plans will lead to staggered hours. In response the Minister will no doubt quote research that the Department has done to show that that will happen. When he studies that in detail and examines particular areas in a town or city covered by the research, he might find that the theory does not hang together quite so well. No doubt he will explain to the House how a local authority is meant to make staggered hours happen.

Let us suppose that two pubs are next door to each other. One applies to the licensing committee to stay open until midnight and the committee agrees, and a few weeks later the other pub makes a similar application. The local authority can hardly say, "No, sorry, the pub next door is staying open till midnight. You can only stay open until 11.30." Would it be allowed to do so under competition law or under the guidance? The answer is no, so it is not possible for a local authority to engineer the staggered hours that the Minister and the Secretary of State claim are possible under the Bill.

Mr. John Leech (Manchester, Withington) (LD): My hon. Friend makes a valid point about staggered opening hours. When I speak to landlords in my constituency, they consistently tell me that the reason they are going for extended hours is that all the other pubs are going for exactly the same hours.

Mr. Foster: I entirely agree with my hon. Friend. I need not comment.

I turn to the important subject of police powers, which the Secretary of State mentioned. Does the Bill contain sufficient police powers, which would not take effect if the legislation did not go ahead? That is not the case. If it were, there would not be so many people in the police who are so deeply concerned about the Bill. The Secretary of State and the Minister have referred to the position of ACPO. Sir John Stevens, the former Metropolitan Commissioner, said:

"The move towards 24-hour drinking needs to be slowed down. The fact that large groups of people will be coming out at 3 am or 4 am will mean we have to man the streets to ensure they behave."

Alan Gordon, vice-chairman of the Police Federation, which represents the rank and file officers, who ought to know what it is like out on the streets, said that many were at

"the end of their tether"

at the prospect of the legislation. He went on:

"Our stretched resources will be even more stretched, with more officers having to work late at night and therefore fewer available during the day.

It is very, very wearying and stressful for police to be constantly working extended late shifts, or all night."

The chairman of the Metropolitan Police Federation, Glen Smyth, said:

"Most nights of the week our officers are overwhelmed by a sea of drunken, violent, vomiting yobs who when they're not fighting each other, are falling through shop windows . . . That's now. What's it going to be like when we have a licensing free for all?"

The legislation has not attracted clear support, and the Secretary of State knows it.

The Secretary of State has said that some additional powers will be helpful, but the Government have already introduced some of the powers in the 2003 Act, such as the powers in sections 155 and 199 that allow police officers to confiscate alcohol from young people. She has made great play of the police's ability to close

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pubs for 24 hours at very short notice, but she should check the existing legislation—the 1964 Act already gives the police those powers, which were further extended in 2001.

The Secretary of State should consider the police's existing powers and examine whether they are being enforced. For example, she has referred to drunken people on the streets, who must buy their alcohol from somewhere. As the right hon. Member for Maidenhead knows, an existing law forbids landlords to sell alcohol to people who are drunk. That law was amended in 2001 to ensure that anybody who sells alcohol to somebody who is drunk is breaking the law. The House may be surprised to know that on average there are 11 prosecutions a year under that legislation. The Secretary of State may be taking a few additional powers, but most of those powers already exist, so we should make sure that the existing legislation is being used.

All the evidence suggests that the 2003 Act will not resolve the problem of binge drinking, and I believe that it will make the problem worse. I do not accept that chaos will occur if we do not go ahead with the 2003 Act, because all the existing licences for pubs, clubs and off-licences will continue until February 2007. There will not be chaos if the 2003 Act is stopped, but there will be chaos if we go ahead with it. The public do not want it, and I hope that the whole House will support the motion. Let us end the nonsense that the Government are going to deal with binge drinking, which is something that the 2003 Act definitely fails to do.

Several hon. Members *rose—*

Mr. Deputy Speaker: Order. I remind the House that Mr. Speaker has placed a 10-minute limit on Back-Bench speeches, which comes into operation now. However, hon. Members will be doing their colleagues a favour if they manage with less than that.

8.48 pm

Mr. Wayne David (Caerphilly) (Lab): During the general election campaign, my Conservative opponent accused me and the Labour party of being in favour of 24-hour drinking. His slogan was, "Vote Conservative. Vote against 24-hour drinking". That slogan has nothing to do with the legislation. My constituency does not contain a single licensed establishment that has applied for a licence to allow 24-hour drinking. In my constituency, that Conservative campaign failed abysmally, which is one of the reasons why I increased my parliamentary majority.

Such misrepresentation continued after the general election campaign, with certain elements of the press suggesting that we will see a descent into chaos, the end of civilisation as we know it, confusion and anarchy. Having heard those prophecies of doom, it was not enough for me to take the Government's word for it, so I decided to go a step further and ask my local authority what is happening on the ground.

I therefore spoke to people at Caerphilly county borough council, and the first thing they said was—surprise, surprise—that not one single establishment had applied for 24-hour opening and none was likely to do so. Moreover, they said that far from confusion there is a great deal of orderliness in the new regime that has been introduced. Only this morning, they told me that 88 per cent. of previously licensed premises have already applied for a continuation of their licences and have been granted one. More are in the pipeline, and I anticipate that the figure will go up to the upper 90s before the process is completed.

So far, 483 pubs and clubs have made applications for licences in the Caerphilly borough, and it is interesting to note the detail of those applications. The breakdown is as follows: 218 are for conversions of existing licences, 249 are for varying existing licences, and 16 are for new premises. In other words, there is no uniformity whatsoever. In fact, nearly half the existing licensed premises want to continue as they are. That is what is happening in practice in one particular part of the country, and I would suggest that Caerphilly is fairly typical not only of many other parts of Wales but of many other parts of Britain.

Of the applications for varying existing licences, in many cases any objections from local residents were resolved at the hearing stage through mediation and agreement between the parties. That is a vital and central aspect of the Act, and in practice it is working very well. Of course, it is recognised that in some cases mediation has not led to an ideal situation so far as all parties are concerned. However, it is important also to recognise that, contrary to what some Opposition Members have said, there is no presumption in the Act in favour of longer hours over objections from local people. Let us be absolutely clear about that. Where there has not been agreement, all parties have been clear that the licences that were issued would be subject to strict monitoring and very careful review.

When I asked the chief executive of my local authority what he thinks about the suggestion that there could be an extension beyond the 24 November deadline, he told me in no uncertain terms that he and many of his colleagues in local government would be utterly against that. Caerphilly county borough council has worked extremely hard and effectively to meet the deadline, and we see no reason why it is not a reasonable deadline that we should continue to adhere to.

As a result of the hard work of Caerphilly council, 15 councillors have been properly briefed and trained to oversee the whole process. That is far more democratic than the former arrangement whereby determinations about licences were made by faceless magistrates whom nobody knew or had any contact with, and who often did not know or understand anything about the locality. The new arrangement is an important step forward for democracy, and the Government should be complimented—as should local authorities such as Caerphilly county borough council for introducing it so effectively.

Caerphilly council is taking two initiatives that add weight and importance to the legislation. First, the safer Caerphilly county borough community safety partnership has been established. As one of the first new licensing forums in Wales, it is bringing together, very effectively, all the stakeholders involved in the process, who meet monthly and produce their own newsletter. That has been very well received.

Secondly, the local authority is introducing a drinkwise scheme for responsible licensed premises. Again, it is the first of its kind in Wales. It will give accreditation to licensed premises that are following good practice. That is warmly to be welcomed.

In addition to those two initiatives, the local authority has had the wherewithal to recognise that other policy areas are affected by the legislation. For example, it is mindful of the fact that there will be a greater demand for taxis when some premises have extended opening hours. It has therefore established a taxi association to liaise with local taxi operators, and is in the process of introducing additional taxi ranks. All those measures are to be welcomed and show why many of the fears that were whipped up in Caerphilly just a few months ago have no basis whatsoever.

At the end of the summer, I took part in the police secondment scheme. I spent the best part of two weeks with Gwent police, especially in Newport. I naturally asked the police with whom I worked what they thought of the new legislation. I shall be frank: some believed that the Act would cause more problems and others thought that it would make no difference. However, the majority of police officers to whom I spoke believed that it would lead to an improvement in many young people's behaviour. Policemen and women on the ground, who are in touch with their communities and engaged in neighbourhood policing, look forward to the implementation of the Act.

One Saturday night, I spent a couple of hours in the custody unit at Newport police station. It was quiet for most of the evening but, as expected, from 11.15 pm till midnight, all hell broke loose. It happened because, as we all know, that is when the pubs close, the binge drinking takes place and the trouble occurs on the streets. That is one of the main problems that the Act tries to tackle and I believe that it will succeed.

The new powers that are proposed for the police complement the central element of this legislation. Contrary to the comments of the hon. Member for Bath (Mr. Foster), many aspects of the Act are brand new. It extends existing legislation and takes matters forward significantly.

I am mindful of the time limit that has been placed on Back Benchers and I shall therefore conclude. I do not want the implementation date of 24 November to be abandoned and I want the Government to ignore the scaremongering of Opposition Members. Above all, we should have the courage of our convictions and acknowledge that the Act will, slowly but surely, change attitudes and get to grips with the terrible problem of binge drinking.

8.57 pm

Mr. John Whittingdale (Maldon and East Chelmsford) (Con): I shall follow your advice, Mr. Deputy Speaker, and try to be brief.

When the debate was called, I anticipated that the Secretary of State and many Labour Members would refer to the position that the Opposition took during the Bill's passage. Since I was the Opposition spokesman at the time, I read my remarks before the debate. At the time, we supported more flexible opening hours. However, even then, we raised some anxieties and we based our support for the measure on the Government's argument that longer and more flexible drinking hours might reduce binge drinking, crime, disorder and public nuisance. I pointed out that, even at that time, several people were questioning that assumption and that it was not necessarily the view of several police officers or local authorities.

Nevertheless, the Association of Chief Police Officers recommended supporting the relevant provision in the White Paper, subject to two caveats. First, it was concerned that there may not be sufficient police officers available to deal with problems that might occur later in the evening or the early hours of the morning. Secondly, it echoed the concern of the hon. Member for Bath (Mr. Foster) that the consequence of more flexible opening hours might not be different closing times but, because of competition and for other reasons, pubs all closing at the same time but later in the evening. At that time, fewer police officers would be available on the streets. The same problems would therefore arise but with fewer people to deal with them.

Genuine concerns were therefore expressed during the Bill's passage but the Government assured us that the police believed that the measure would contribute to tackling the problems and we supported it on that basis. However, since then, there has been a stream of informed protest from a wide variety of groups.

Several hon. Members have already cited people who have expressed anxiety and I do not intend to repeat their remarks, but let us consider the number of different organisations that have voiced their concerns. From the police, we have ACPO—my right hon. Friend the Member for Maidenhead (Mrs. May) quoted the ACPO licensing representative—the chief inspector of constabulary; the former Metropolitan Police Commissioner; the Police Federation; and the chief constable of Nottinghamshire. It is plain that many police officers believe that the Act will make things worse.

The judiciary will have the job of enforcing the legislation, and both Her Majesty's Council of Circuit Judges and the Magistrates Association have been vocal in their criticism. In the medical profession, the Royal College of Physicians, the Irish Medical Organisation and, most recently, Professor Lord Winston, who sits on the Government Benches, have all expressed concern about the Act increasing the opportunities to drink and therefore increasing the likelihood of binge drinking, leading to alcohol-related disorder.

After the Bill reached the statute book, we discovered that concerns had been expressed not only outside Government but within Government. The then Home Secretary, the right hon. Member for Sheffield, Brightside (Mr. Blunkett), talked about the proposals in the Bill as

"a leap in the dark"

that risked "worsening the situation" of violent crime and yobbish behaviour, yet none of that was said when we debated the Bill.

I say to the Secretary of State and to the Minister who will respond to the debate that, at the time of the Bill's passage, we were willing to accept the assurances that the legislation was supported by the police and many others as a means of helping to solve the problem of binge drinking. Now we discover that there is a widespread belief that it will help to make the problem

[Mr. John Whittingdale]

worse. We have changed our view on the basis of the fact that expert opinion is almost unanimous in its belief that the Bill poses real dangers. We now believe that the Bill should not be implemented. Having listened to expert opinion, we have demonstrated that we are a responsible Opposition. I just regret that the Government have not taken the same stand. I hope that, even now, the Minister will reflect on that.

In fact, not just expert opinion, but our own experience has led to our change of heart. I suspect that many hon. Members have been out with their local police, and I spent a night out with a police officer in a squad car. We responded to about 12 or 15 incidents. Every one was alcohol related. A lot is said about vertical drinking establishments in inner cities but the problem is now affecting every market town in Britain. Maldon and Burnham in my constituency both have a major problem with hooliganism that is directly related to alcohol. The incidence of such behaviour is another reason why we need to proceed cautiously.

I do not want to repeat the arguments that have already been advanced by the Front-Bench team; instead, I shall discuss two other aspects of the Act that have not been mentioned. First, let us consider its impact on village halls, which are central to many local communities. In my constituency, a new village hall was recently built, which cost £1.5 million. All the money for it was raised by the local community through the sale of land for building. That project did not receive any assistance from the lottery or Government. The village hall is a remarkable achievement, which will be a real asset to the community, but it needs to cover its costs. Those behind the project came to see me and said that the only way they could so was if they were able to rent the hall out for private functions on every Friday and Saturday of the year. At the vast majority of those private functions—parties, wedding receptions and the like— people will want to enjoy themselves and drink, but the village hall is limited to just 12 temporary event notices a year.

I know that the Minister has said that that limit will be considered and that a review is under way, but I hope that he will give at least some indication this evening that that limit will be raised significantly, because many village halls throughout the country will find it difficult to cover their expenses if they are confined to just 12 temporary event notices a year.

The other matter to consider is the effect of the Act on another institution that is central to many local communities—the sports clubs. The Central Council of Physical Recreation, which the Secretary of State cited in support of some of her remarks, has been vocal throughout in pointing out the huge burden and cost that the new provisions will place on thousands of sports clubs. I happen to be vice-president of Maldon cricket club, which, like many other such clubs up and down the country, is staffed largely by volunteers. It manages to muster three or four enthusiastic local teams, but it does a lot more. It provides an opportunity for young people in the community to learn about cricket and runs a quick cricket day for all the local schools. It is a hugely valuable resource.

I asked the club organisers about the impact of the Licensing Act. They replied that there are two types of cost—financial and time—and went through how they add up. They wrote:

"The 80 page Statement of Licensing policy from . . . District Council needs to be read and understood—minimum of 3 hours.

A training course held by . . . District Council—2 hours.

Fill in the 21 page application form and enclose copies of old registration certificates and Club Rules, plus production of plans of the building . . . highlighting emergency exits . . . 2 hours.

These had to be copied . . . a further 8 times and sent to Trading Standards, Child Protection, Police, Fire Service authorities . . . 1 hour plus £30 photocopying charge.

Notice produced and dispatched for insertion in the local newspaper—1 hour plus £184 charge by local newspaper.

Notice produced, copied and displayed locally in the vicinity of the Clubhouse—1 hour.

A query was then raised by the police which took 2 phone calls and a letter (with copies) to resolve—a minimum of 1 hour.

Maldon District Council then sent letter indicating that an objection had been received from a neighbour and therefore a Hearing had been arranged. It transpired . . . that the letter was about another matter which had been amicably resolved some time earlier . . . minimum of 1 hour."

The cost of the licence was £100, plus a £70 annual charge, so the total cost so far has been a minimum of 15 hours spent and £384—and the club has still not yet been told whether it has a licence.

The legislation is having a real effect on thousands of clubs that do an enormous amount for their local communities. They should not be treated in the same way as commercial licensed premises. The CCPR has proposed some sensible ways in which relief could be given to sports clubs—for example, classifying them all in band A. I hope that the Minister will be able to assure me that he will provide the vital help that the clubs need.

9.7 pm

Stephen Hesford (Wirral, West) (Lab): I wish to bring the debate back to its roots in actuality—what is happening on the ground. Like my hon. Friend the Member for Caerphilly (Mr. David), at the last election, I faced the suggestion of 24-hour drinking. That seemed to be the only line taken by the Tory candidate standing against me—it was the only thing I heard her say. It came as no surprise to me that that late-in-the-day concern about the issue arose so near to the election.

I think that the whole House accepts that licensing laws in England and Wales are out of date and do not work as they were intended to. The licensing regime in its present form was introduced almost 100 years ago, during the first world war. We have heard nothing about the fact that the licensing laws were relaxed under the Conservative Government. Hon. Members will recall that pubs used to shut at 3 pm, but that was done away with under the Conservatives—I see Opposition Members nodding—because it was thought a reasonable measure, and so it was. I submit that the new regime is simply an extension of that policy. It was right then, and it is right now.

Kicking off the debate for the Opposition, the right hon. Member for Maidenhead (Mrs. May) said that she did not want licensing applications to extend opening hours to 1 or 2 am. I have asked my local council to send me a copy of every licensing application in my

constituency and I have looked at all of them. I can think of only one that was for hours beyond the ones to which I have referred. One premises called Aurora made an application for 4 am. In the end, the licensing committee extended its licence to 12.30 am. Of all the other licensing applications that have gone through in my constituency, none has gone past 12.30 am. There is the idea, as the hon. Member for Bath (Mr. Foster) said, that this is a licensing free-for-all. It was a scaremongering exercise during the election. It is a misrepresentation of what is going on throughout the country.

My hon. Friend the Member for Caerphilly said that he would find it difficult to believe that his constituency was unrepresentative. In the same way, I would find it incredible if my constituency were out of the ordinary. That opinion is rooted in what is happening and not in scaremongering. My right hon. Friend the Secretary of State mentioned that there was a success rate of about 95 per cent. in negotiations between local residents, local councillors and those making decisions. Having taken special care to examine applications in my constituency, I know that, far from local residents having no voice, and given that I have come across no applications for a licence extension beyond 12:30 am, it is clear that the councillors on the sub-committee have taken into account the observations and objections that it said are not being taken into account in other parts of the country—something that I do not accept.

The borough in which my constituency is located has had a problem with a ward that was represented by three Tory councillors. I have no idea what they were doing because it does not come within my common experience.

My right hon. Friend the Secretary of State said that we are not talking of a one-off strategy and that it is not a be-all-and-end-all answer to binge drinking. I note that the motion does not even mention binge drinking as a specific item to be debated. The Violent Crime Reduction Bill will add to the powers to regulate the way in which licensed premises can conduct themselves. An alcohol reduction strategy is running in parallel with that to try to tackle the concept of binge drinking.

The hypocrisy—I am sorry to use such a stark word—is writ large in my constituency. I have already said that, having gone through the applications there, I was startled to see that Oxton Liberal club made just the sort of application about which crocodile tears have been shed. It is the headquarters of the Liberal party in my neck of the woods.

Mr. Dunne: As the hon. Gentleman has such a grip on the numbers of applications within his constituency, perhaps he could help us—perhaps the Minister will elaborate when he replies—by telling us how many applicants have not been able to have their applications submitted to enable them to continue trading. There are many in my constituency and I have been in extensive discussion with the Minister, in relation to much of which there has yet to be a response, to encourage applicants to submit their applications. They have been discouraged because the police were given no discretion within the 48-hour rule, whereby they had to receive copies of applications. Immense expense and trouble has been experienced by many existing licensees. If the Minister had given discretion to the police, the problem would not have arisen. For example, a publican who has been trading for 22 years has been treated like a new entrant.

Mr. Deputy Speaker: Order. The hon. Gentleman must keep his interventions short.

Stephen Hesford: I cannot help the hon. Gentleman. That problem has not revealed itself in my constituency.

The right hon. Member for Haltemprice and Howden (David Davis) came to Greasby in my constituency about seven weeks ago at the behest of the defeated Tory candidate, who seems to want to go at this issue like a dog with a bone. The right hon. Gentleman wanted the hours frozen, rejected the idea that pubs would be able to apply responsibly for an extension of just a few more hours and called the new licensing regime a huge social experiment that will make everyone's life a misery. Lastly, and presumptuously, he chose specifically to comment on the situation locally on the Wirral.

Having followed closely the licensing applications in my constituency, I knew that as the right hon. Gentleman spoke, the Oxton Conservative club was making the application that he said could not, in all conscience, be made. He rejected the idea that pubs could responsibly apply for a few more hours—just the type of thing that the local the Tory club was doing. It was a case of, "Do as I say, not as I do."

Mr. Henry Bellingham (North-West Norfolk) (Con): The hon. Gentleman is wearing a Tory tie.

Stephen Hesford: I am pleased that someone recognises the sartorial nature of my tie.

Let us put the hypocrisy aside and get back to the genuine debate about whether hon. Members on both sides of the House can deal with binge drinking. It is said, variously and misleadingly, that the police are against our proposal. Chief Superintendent Alan Jones, the area commander of my borough, is firmly in favour. He does not have a problem with having the numbers to police it. He does not seem to have a problem with the principle that, over time, it will change the culture, as my hon. Friend the Member for Caerphilly said. In fact, the chief superintendent welcomes the changes and does not want us to avoid events on 24 November.

The debate is serious. The right hon. Member for Haltemprice and Howden has not replied to the letter that I wrote as a result of his escapade in Greasby. His approach was rude, opportunistic and cowardly—

Mr. Deputy Speaker: Order. The hon. Gentleman must be careful with the words he uses about a right hon. Member of this House. He should withdraw that comment.

Stephen Hesford: I withdraw the comment, but I ask the House to wonder why, after six weeks, the right hon. Gentleman has not bothered to reply to my letter.

9.19 pm

Mr. Robert Goodwill (Scarborough and Whitby) (Con): The lifeblood of the economy in Scarborough and Whitby is the tourist trade. There can be no doubt that, if our town centres are full of rowdy drunks, it will

[Mr. Robert Goodwill]

be difficult to continue with the excellent progress that has been made in attracting families and the all-important conference trade to the east coast of Yorkshire. The changes to the licensing laws are all about making it easier for yobs to drink around the clock, while law-abiding small businesses and the people who use them are penalised and entangled in red tape.

Mr. David Kidney (Stafford) (Lab): Surely, the people who want to drink in Scarborough are tourists. The hon. Gentleman is not calling them yobs, is he?

Mr. Goodwill: That is puerile, and I shall deal with it later.

The Grosmont House hotel in Grosmont sleeps 10 and is situated next to the terminus of the North Yorkshire Moors railway, famous as the Hogwarts express in the Harry Potter films. Many people, having seen the film or Yorkshire Television's "Heartbeat" series, come to stay at that small family hotel, which is renowned for its local lobster. Some residents enjoy a bottle of wine with their evening meal, or have a glass of something before embarking on one of the railway's excellent dinner excursions. Others fancy a nightcap before turning in. Rosalind and George Andrews, the proprietors, faced with increased charges and a minefield of regulation, have decided reluctantly not to maintain their table licence. One of them would have to attend a training course, despite the fact that Mrs. Andrews completed a similar course before entering the trade and despite the fact that her husband has been a licensee for 38 years. The police have never been called to an incident in premises controlled by Mr. Andrews who, according to the Government definition, is untrained.

The requirement to provide detailed plans of the hotel is ridiculous. Mr. and Mrs. Andrews must submit plans not only of the bar, dining room and lounge but all the corridors and, surprisingly, the kitchen. Rosalind is not brewing moonshine in there as far as I know, nor is she manufacturing alcopops on the aga. Perhaps the Government know something that I do not, but I have not received reports of drunken youths prowling the North Yorkshire moors with jugs of Mrs. Andrews' rum sauce, gorging themselves with trifle or terrorising local people with brandy butter running down their chins—the only alcoholic products to emanate from her kitchen. The Andrews say:

"We are not a drinking establishment; it is a service we provide. We can't even give people a free drink with a meal. The only people to benefit from this are the town pubs where the trouble is."

If holiday makers decide to buy a bottle of plonk from the village shop they may well discover that it, too, has given up its licence. Other small shops, such as Sandsend stores, have spent days submitting and resubmitting forms despite the helpful assistance of Scarborough borough council. Village shops now face annual licensing costs that have leapt from £10 a year to £180—a stealth tax if ever I saw one.

To address the point made by the hon. Member for Stafford (Mr. Kidney), many hotels and guest houses in Scarborough are dispensing with their licences for similar reasons. Those that have reapplied have burned the midnight oil filling in interminable forms. The proprietor of the Whitely hotel, Martin Smith, said that the total cost for his 10-bedroomed establishment is about £1,000. Similar businesses that have transferred their licences under grandfather rights may still have to reapply.

Mr. Greg Hands (Hammersmith and Fulham) (Con): Does my hon. Friend agree that the measure does not just affect smaller establishments in North Yorkshire? In Hammersmith and Fulham, our local paper carried the headline, "Booze Chaos", referring to the world-famous River Café—it was designed by Richard Rogers and was where Jamie Oliver learned his trade—which is struggling with its licence. Its manager described the legislation as "a mass of confusion".

Mr. Goodwill: I appreciate that this is a nationwide problem.

Where can people have a quiet drink once many small guest houses give up their licences? If they have children asleep upstairs, they cannot do so. If they want to go out, they run the risk of coming across the groups of people whose drinking the Government seem keen to encourage. This afternoon, I spoke to Boleyns nightclub on St. Thomas's street in Scarborough. It said that it currently closes at 2 am on a Saturday night but proudly added that, from 24 November, it could keep the bar open until 3 am. The new Opera House casino will soon open for gaming from 10 am until 6 am the following day—plenty of time to lose your shirt or your blouse if you are a granny. The bars will close at 2 am, but the casino confidently told me this afternoon, "We look forward to serving even longer hours after the law is changed."

While I welcome the principle of switching from magistrates courts to locally elected and accountable councillors, I am sad that the law of unintended consequences has once again come into play. Law-abiding responsible drinkers are having their holiday experience disrupted. Small businesses are facing disproportionate costs and bureaucratic burdens, while large pub chains and nightclubs are extending their hours and increasing their profits, resulting in obvious problems on the streets in the early hours. At a time when resorts such as Scarborough are trying to promote a café culture, the Government seem more interested in promoting the growing problems of an alcohol-fuelled yob culture. I support the motion calling for the postponement of the new measures and the extension of the transitional period until the problems that I have outlined have been adequately addressed.

9.25 pm

Anne Main (St. Albans) (Con): I am staggered at the complacency of those Labour Members who seem to think that, as long as people are not making applications for 24-hour licences, everything is fine. The people of St. Albans are desperate for me to bring their concerns to this debate, as they will be badly affected by the Act. St. Albans is a lived-in city, not a desolate, late-night city. It is not a city that shuts up shop when everyone goes home to the suburbs. It has familiar large-name retailers, as well as small cobbled alleys, quaint historic quarters, picturesque conservation areas and lots of pubs. But people also live and sleep—or try to sleep—in the heart of St. Albans.

According to the chief licensing officer, St. Albans has more licensed premises per capita than anywhere else in Europe. The sheer number of those premises already causes problems with late-night noise, antisocial behaviour and policing issues. Those adverse effects are not covered in the Act. We are talking not about people bashing each other to bits on the streets, but about general rowdy behaviour that does not constitute an arrestable offence. At the moment, most of that noise and disruption ends at about 1 o'clock, when most of the drinkers disperse, often waking residents as they leave to go home. However, residents now fear that that disruption will carry on deep into the early hours of the morning. Okay, it might not go on for 24 hours, but 4 o'clock in the morning sounds pretty late to someone who has to get up at 6 o'clock.

The chief constable of Hertfordshire, Frank Whiteley, warned the Government that the new laws would be a disaster. Yes, that is another chief constable who is on record as a staunch opponent of the Act, and he says that his views have now hardened. At a recent meeting, he said that, because of the sheer number of licensed premises in St. Albans, he could not police them all. If he were even to try to do so, he would have to take resources from elsewhere. Front-line policing would have to be diverted to deal with licensed premises.

Between April 2004 and March 2005, there were 1,710 incidents of alcohol-related crime and disorder, and 848 alcohol-related arrests, most of which took place on a Saturday night. Seventy per cent. of police officers polled by Alcohol Concern reported that alcohol-related incidents frequently diverted them from tackling other crime. That is certainly true in St. Albans.

Like many other Members, I have spent a Friday night out with a local police inspector. My inspector and I visited a local pub, where we saw a young girl lying in the toilets, drunk and vomiting, at 10 o'clock. This was not because she was short of drinking-up time; she was just drunk. She is a product of our vertical binge-drinking culture. We saw men outside the Water End Barn, which has a later licence, so the drunkenness goes on until later. It takes £60,000 a week and is now licensed until 4 o'clock in the morning. In an attempt to get a slice of that very lucrative pie, other bars are following suit and applying for later licences. The complacency of Labour Members is not shared by the licensees of St. Albans; they all want some of that pie.

Stephen Hesford: Will the hon. Lady give way?

Anne Main: No, I want to make some progress.

I have seen the police operating at first hand, and I know that they are reluctant to arrest a shambling drunk if he is not causing too much trouble. The figure of 848 arrests is therefore the tip of the iceberg. As our inspector pointed out, our cells and accident and emergency units would be overflowing if everybody who was drunk was arrested or sent for treatment. Individual revellers are often noisy, but do not commit an arrestable offence. So nothing much can be done as they clatter down the streets, keeping the people of St. Albans awake.

"Cumulative impact" is a vital factor in a city such as St. Albans, but the local council's licensing policy is far from robust, and "cumulative impact" is not accepted when applications are being considered. Each application has to be judged on its own merits. Many city centre residents have joined the Save Our Sleep campaign in an attempt to lobby the council. They are worried about the problems that the evening economy is bringing. They put up a spirited, well informed argument at the meetings, and they are regularly supported by our local police, who—such is their concern—have taken it upon themselves to alert residents to applications by giving out leaflets to affected homes. But this is all time-consuming for the residents, the police and, most importantly, the council, which has had to put masses of extra resources into dealing with these issues.

At present, we have six committees dealing with licensing. They have granted 400 licences, and still the deluge continues. Before the Act, the former, Labour, Member for St. Albans reckoned that only about 1 per cent. of licensees would apply for longer hours, but the figure is 40 per cent. Just as importantly, many of the premises offer music and entertainment. Some residents who have bought flats above small shops now find themselves above café bars that have turned themselves into late-night music venues.

Mr. David: Will the hon. Lady give way?

Anne Main: No, I will not.

With so many licensed premises in St. Albans, it will be almost impossible firmly to attribute blame, which is part of residents' problem. They are worried that if they challenge, they will have to pay their costs on appeal. Residents are also worried—the Government have not tackled this—that the future sale of their properties may be blighted if they keep being in dispute with local pubs and highlight the nuisance, so some are choosing to stay quiet. Some city centre properties are already blighted and some residents are moving out.

So how is the council coping and interpreting the policy? I believe that it is a shambles in St. Alban's, with brewers being the winners. At a recent licensing meeting, the chair gave her view that the council was "here to compromise". Perhaps that is the mediation to which one Labour Member referred. In this case, compromise means that if one applies to open until 3 in the morning, then quickly changes it to 2 in the morning, the objections of residents to 3 in the morning are deemed not relevant. Local police officers turn up to support residents with anecdotal evidence of rowdy behaviour—as I said earlier, they do not arrest everybody—but those views are deemed hearsay if an arrest has not been made, and the council cannot take it into account. St. Albans has also adopted a policy of not defining a vicinity. In theory, that means that anyone can object, but the reality is that the committee is left unsure as to how much weight to give to objections. Again, how will that stand up on appeal?

Worst of all, there is no concept of cumulative impact—the onus is on residents to monitor the licensed premises and then petition for enforcement if they can "show nuisance". It is a topsy-turvy way of dealing with the issue, which has residents and police wringing their hands. Is that what the Secretary of State meant when she assured us that the Act would increase the influence

[Anne Main]

and power that residents and their associations would have over licensing? Well, my residents feel impotent. It does not matter what they say or do—the licences are being passed.

On a practical level, the chief licensing officer accepts that the police cannot patrol all these premises, but he has received an assurance from this Cabinet that he will have

"whatever it takes in resources to police this, including all-night council officers on duty."

The current noise nuisance hotline, which shuts at midnight, will now have to be extended until later. Can the Government honestly assure the council tax payers of St. Albans that all these extra resources will be covered by the fee? When the Secretary of State said that the fees will give local authorities the tools to do the job, did she envisage a 24-hour noise hotline, teams of additional council officers patrolling pubs, more enforcement officers, additional street cleansing and litter collection?

We need to stop before it is too late. We need to tackle the vertical binge drinking culture. If we want our cities to remain homes to families, welcoming to visitors and centres of tourism, we need to stop the binge-drinking culture and this flawed Act. I ask the Secretary of State to resile from her stated position and delay the implementation of the Act. It is folly. The people in St. Albans do not understand why you are not listening to them. Just because it is not causing a problem in your particular constituency—

Mr. Deputy Speaker: Order—

Anne Main: Sorry, Mr. Deputy Speaker, just because in other hon. Members' constituencies—

Mr. Deputy Speaker: Order. When the occupant of the Chair rises, any other hon. Member must sit down. I think that the hon. Lady has got the point.

Anne Main: You might see how impassioned I am, Mr. Deputy Speaker, on behalf of my residents.

If the Secretary of State will not delay the implementation of the Act, will she at least come to a public meeting in St. Alban's to tell my constituents why she will not do so?

9.33 pm

Mr. Nigel Evans (Ribble Valley) (Con): I am grateful for the opportunity to make a short contribution to this important debate.

I should make a few declarations of interest. First, I am a member of the Campaign for Real Ale, was a judge at the great British beer festival this year, and opened the festival, which was superb. Secondly, I am a long-standing member of the all-party beer group and have been vice-chairman ever since it was formed. Thirdly, I own an off-licence in Swansea—*[Laughter.]* That is half my speech gone. And finally, I live next door to a pub in Pendleton in my constituency, which I frequent regularly.

I am one of the few Members who has had a look at one of these application forms. My sister received it, because we have an off-licence, and she got frightened and sent it to me. I looked at it, got frightened, and sent it back to her. We then employed a solicitor. What other Members have said about the cost is true—it has cost us well over £1,000 in solicitor's fees and to get an architect in to measure the shop, as well as various other costs. That is a heavy cost for us to bear, but I can only imagine the burden on many small rural businesses that do not sell much alcohol. One small business in my constituency has already let its licence lapse because it cannot afford to renew it and does not sell enough alcohol. Other smaller businesses and village halls will be affected, and it has come as a heavy burden.

We have been accused of scaremongering and opportunism. We have certainly not been scaremongering, and Esther McVeigh was not scaremongering in Wirral, West: she was absolutely right. What we have not been doing, unlike the Government, is pandering to people. I am thinking particularly of the message that the Government sent at the time of the general election, to the effect that if people voted for them they would be able to drink all day. I know that the Government regret that now, but the fact is that they did it. They were targeting younger people with mobile telephones.

The Government say that they want a café society. We, too, want to see more small wine bars opening. We are worried about the larger, urban pubs, which will contain several hundred people on Thursdays, Fridays and Saturdays. That is where the drink problems will arise.

The Secretary of State herself admitted that there is a problem with binge drinking in this country. The front page of today's edition of *The Sun* spoke of an alcoholic aged 12. One lady is so petrified of her 16-year-old daughter getting smashed on her birthday that she has taken a photograph of her daughter to 30 pubs so that she will not be served. The Secretary of State tries to pretend that the new laws will protect all those young people and their parents, but many of the laws are already in place. Moreover, many of the laws that she mentioned could have been introduced in splendid isolation, separately from the Act.

If there is currently a problem with binge drinking, is it not logical to expect that if many more pubs can stay open until 2 am, 3 am, 4 am and 5 am, the problem will become worse? That is what frightens us. We are not worried about the staggering of closing times, which will have many benefits for the police. Many businesses, however, will start closing at the same time—4 am. Once one of them starts staying open until 4 am, there will be huge pressure on all the others in the vicinity to do the same.

The Government have gone so far down the road that they will have to proceed with their plans just to save face, irrespective of the effects on the United Kingdom. It was the same when cannabis was reclassified from a class B to a class C drug. After the Government had spent £1 million on telling people that, actually, cannabis was still illegal, they set up a committee to look into the mistake that they had made and the impact that the change in the law had had. I suspect that the same will happen in this case. Binge drinking will get worse.

We saw the front page of *The Observer* yesterday. The head of all the licensed landlords in the country said that landlords were being offered incentives to keep people on their premises after 11 pm. They might be on the receiving end of as much as £20,000 in return for encouraging people to drink more—to drink shorts or doubles. To reach the targets that they have been set, landlords will have to persuade more people to stay longer and drink more alcohol. That will be a real problem, especially for those living nearby.

We were told that councillors would be able to object to noise, but the fact is that they will not. Councillors have been told that they cannot object to licence extensions unless they live in the vicinity, because otherwise they are not interested parties. The code of conduct, however, states that councillors living in the vicinity cannot object because that would be prejudicial. They are caught: whatever happens, they cannot object to extensions, and that prevents them from doing the job that they were elected to do.

I shall end my speech early, because I know that the Minister will want to respond to many of the points that have been made. We are not saying no to any change at all. The hon. Member for Wirral, West (Stephen Hesford) reminded the House that we changed the law to allow drinking in the afternoons, which I would describe as a sensible licensing extension. The Government's allowing drinking until as late as 5 o'clock in the morning is a sea change in comparison. We introduced that sensible change 20 years ago, but since then binge drinking has got much worse. More people are drinking more alcohol at a younger age, and this change to the law will make matters worse. The Government have made a mistake. It is still not too late to change it, but for goodness' sake, do it now.

9.40 pm

Mr. Malcolm Moss (North-East Cambridgeshire) (Con): If implementation of this Act were proceeding smoothly and it were being welcomed by the majority of our constituents and the electorate at large, I am pretty sure that we would not be having this debate. I strongly rebut the Secretary of State's claim that we are being opportunistic and are guilty of flip-flop—inconsistency. This legislation's progress has been inadequate; it has been late and badly prepared throughout. As the hon. Member for Bath (Mr. Foster) pointed out, in Committee we had no regulations, no guidance, no fee structure and no clear idea of implementation. There have been delays at every stage of implementation, and as many Members have said this evening, the application process has been a million light years away from the promises made by various Ministers.

When it became obvious that the Government were not addressing the binge drinking problem and ignoring representations from the police, the judiciary, local authorities and the village hall and sports club communities, we on the Opposition Benches opposed the legislation at every opportunity. The Minister in Committee raised the possibility of an amendment providing for a 20 per cent. limit on fees for sports clubs, but subsequent Ministers reneged on that. We opposed the Bill on Report and on Third Reading, and the Government's attempt to suggest otherwise is, at best, misleading, and, at worst, an outright calumny. In any event, since this Act was debated in the House in 2002 and 2003, the problem of binge drinking has escalated to the point where large swathes of society are now in despair at the Government's intention to press ahead with this Act and with the second appointed day.

A September Populus poll for *The Times* showed that the public are overwhelmingly against Government plans to extend licensing hours. It found that three fifths—62 per cent.—opposed the changes. Only a third—34 per cent.—were in favour of them. Women were against the changes by 71 per cent. to 25 per cent.; men were against them by 52 per cent. to 34 per cent. Not surprisingly, the only group in favour were 18 to 24-year-olds. In direct opposition to ministerial assertions, the proposals are not popular. People see the extension of licensing hours as having a direct correlation with crime, antisocial behaviour, ill health and additional costs to the taxpayer.

There are now 1 million violent crimes a year. Violent crime rose by 7 per cent. overall last year, on top of previous year-on-year increases. But the most important point is that nearly half of victims of violent crime thought that their attacker was under the influence of alcohol. The Home Office's report of June this year, entitled "Findings from the 2003 Offending, Crime and Justice Survey: alcohol-related crime and disorder", admitted that binge drinking is a major source of crime. It states:

"Binge drinkers accounted for a disproportionate volume of crime. They accounted for only 16 per cent. of the adult sample but were responsible for 55 per cent. of all offences reported by adults in the past 12 months . . . It is young male binge drinkers who have the highest rates of offending. This would therefore suggest that any measures to reduce alcohol-related offending should consider tackling binge drinking, particularly within the young male population."

More worryingly, the Government have fiddled and hidden evidence that shows the damaging effect of more late-night drinking. Papers uncovered by the BBC's "Panorama" programme show that, as originally drafted, the Government's alcohol harm reduction strategy, launched in March 2004, included evidence from other countries of the damaging effects of longer opening hours. The Downing street strategy unit, which consulted 17 experts in preparing the strategy, concluded that extending licensing hours could have a severe negative impact. It said:

"Restrictions on availability reduce consumption and general levels of harm. Relaxing availability increases general harm whether through more outlets (Finland), denser outlets (California) or longer hours (Western Australia)".

Such concerns were removed from the final version, which made no reference to opening hours. A source cited by *The Sunday Times* as being close to the strategy stated that civil servants

"drafted what they thought was a pretty decent strategy only to see it get decimated as it got passed around government departments".

The cost of alcohol-fuelled crime and disorder is already £12 billion—£5 billion more than the strategy unit predicted.

The alcohol committee of the Royal College of Physicians stated:

"Already, alcohol-related diseases are costing the NHS about £1.7 billion every year. Around 17 million working days are lost annually because of alcohol abuse, costing our economy £6.4 billion. 70 per cent. of all weekend night-time admissions to hospitals Accident and Emergency Departments are linked to alcohol. More than half of all violent crime is related to drink."

[Mr. Malcolm Moss]

The committee believes:

"The places that will take advantage of changes in the law are not the local, neighbourhood pubs where responsible drinking already occurs and the staff know their customers. It will be the large, anonymous, urban establishments, with a young clientele, that will benefit most—but experience the most trouble, whether it is through an increase in street violence or in damage to health."

There are few powers in the legislation to hold pubs and clubs responsible for rowdy or drunk customers once they are outside their licensed premises—even if the nuisance was ultimately caused by serving alcohol. Most local residents cannot object to controversial proposals for late-night licensing in their town centre—unless, of course, they live very close by. Yet antisocial behaviour, crime and nuisance are not limited to the immediate area around the licensed premises; they can occur miles away as drunken revellers return home. Moreover, councils and police cannot use nuisance and noise from outside a licensed premises as grounds for a closure order against a particular venue. Pubs and clubs can be penalised only if they make excessive noise from inside a pub. Hence, licensed premises cannot be held responsible for the antics of their drunken customers leaving in the early hours.

The Secretary of State claimed earlier in the debate that the curfew, as she calls it, would be a thing of the past. However, as the hon. Member for Bath said, there is nothing in the Act to secure staggered closing times. Let me quote Peter Fahy, the chief constable of Cheshire police:

"In the various applications coming through, we are seeing a general extension of an hour or two on to existing hours. And that means that some of the problems we see on a Friday and Saturday night are now going to spread into other nights of the week."

The idea that we will be able to curtail antisocial behaviour by staggering the closure of these outlets is nonsense. As my hon. Friend the Member for Ribble Valley (Mr. Evans) said, publicans have looked at what their neighbours and competitors are doing and have put in for exactly the same extension of hours so that custom does not go elsewhere.

We ask in the motion for a delay, particularly in respect of the second appointed day.

David Lepper: Will the hon. Gentleman give way?

Mr. Moss: No, I am about to finish and the Minister needs time to respond.

If there were a delay, existing licences would continue, as they do at present under the transitional arrangements under the Licensing Act 1964. New licences could stand and fees paid would be held in abeyance. Parts of the 2003 Act could be implemented. A simple statutory instrument could be introduced to implement the parts of the measure on which there is common agreement, but the hours extension provisions could and should be delayed for a rethink because of the binge-drinking implications.

9.50 pm

The Parliamentary Under-Secretary of State for Culture, Media and Sport (James Purnell): This has been a good debate. When we last debated the issue, the Opposition were worried about the fact that only 20 per cent. of premises had applied for their licence, so I start by paying tribute to the hard work of all local councillors and local officers who worked so hard over the summer to increase the figure to 97 per cent. I am sure that all parties will join me in thanking them for that.

David Lepper: In the light of what my hon. Friend has just said, I thank him for visiting the licensing unit of Brighton and Hove city council a few weeks ago to thank staff for their hard work—it really boosted morale. What will be the impact on those local government officers if the House agrees with the Opposition motion not to proceed with implementation on 24 November?

James Purnell: That is an extremely good point. It would be utterly demoralising for people such as the staff in Brighton and Hove council. The council is one of the best in the country and reached 100 per cent. extremely early, and I pay tribute to the work of the staff.

I listened with great interest to the speech of the hon. Member for North-East Cambridgeshire (Mr. Moss). He takes a serious interest in the issues. I especially remember him saying during our last debate in July:

"Flexible hours was never an issue. Twenty-four-hour drinking was never an issue".—[*Official Report*, 12 July 2005; Vol. 436, c. 798.]

I agree with him. There are real issues, however, as the hon. Member for Ribble Valley (Mr. Evans) made clear in an excellent speech. He referred to the case reported in *The Sun* today of the young girl who is already an alcoholic. The paper published a picture of her in a beer garden drinking a pint of beer. That is legal under current law. That is exactly why we are changing the law. Such problems are occurring under the current law and they need to be fixed.

Mr. Charles Walker (Broxbourne) (Con): Will the Minister resign if the extension of licensing hours does not lead to a reduction in violent crime and binge drinking? A simple yes or no will suffice.

James Purnell: I have only just got here, so I am not planning to resign yet.

It is not acceptable for 11-year-olds to be getting drunk and falling over in the street. It is not acceptable for pubs to use irresponsible drinks promotions to boost profits and it should be shameful for people to get so drunk that they end up in accident and emergency departments or, worse, cause someone else to end up there. We recognise those problems, as the hon. Member for St. Albans (Anne Main) said. It is exactly because they are happening under the current law that we want to change it and fix them.

Jo Swinson (East Dunbartonshire) (LD): Will the Minister accept that longer hours will not make people drink less, so they will not address the problem of binge drinking? If he wants evidence, he should look at Scotland where alcohol consumption rose after relaxation of the drinking laws and where binge drinking is still a problem in my constituency and in the rest of the country.

James Purnell: I shall return to that point later, but if the current hours regime had actually been designed to

encourage binge drinking the situation would not be dissimilar to the one that exists. There is a loophole in the current law whereby people can drink in pubs after 11 o'clock, but only in pubs that put on dancing and music—the very ones about which we are most worried. There are 320 such pubs in the centre of Manchester alone, so the idea that people are not drinking after 11 o'clock at night is wrong, but they can do so only in the places that we would be most worried about if we were designing the law from scratch.

That is why we should be giving the powers to people at local level, so that they can make decisions based on local circumstances. My colleagues, my hon. Friends the Members for Wirral, West (Stephen Hesford) and for Caerphilly (Mr. David), made excellent speeches showing how local authorities are using their discretion to adapt their policies to local circumstances. A decision about the Dog and Duck in Leeds, for example, should be made on the basis of circumstances in Leeds, not by me in Whitehall deciding on a blanket closing time for the whole country.

Bob Russell: But does the Minister agree that local authorities and local councillors need clarification of what they can and cannot do? Legal counsel has given advice that ward councillors cannot speak on issues in their ward unless a resident has asked them to do so on their behalf.

James Purnell: We shall be happy to look at that issue sympathetically in the review of the guidance and I hope that the hon. Gentleman will contribute to it.

It is clear under the Act that councillors can represent the views of their constituents when they have received representations; they can also seek representations.

Mr. Kevan Jones: Does my hon. Friend agree that, under the new law, not only do people have a say but, for the first time ever, they are informed when licensing applications come before councils? Under the previous system, they were neither consulted nor encouraged to complain to magistrates courts.

James Purnell: That is absolutely right. One of the key advantages of the Licensing Act 2003 is that it gives the power to local councillors—the people who are accountable for the consequences of binge drinking in their areas and who will have the best incentive to take those decisions in the interests of their constituents.

The Opposition argue in their motion for delaying the Act's implementation, but those at the front line disagree. The LGA, ACPO and the Police Superintendents Association disagree, and the opposition case has fallen apart as those stakeholders and the representatives of those organisations—

Mr. Moss: Will the Minister give way?

James Purnell: I have already given way significantly. I have only five minutes to make these points.

The police and some others are concerned about certain decisions. Of course, when they have those concerns, they have been successfully making representations to committees and getting some decisions overturned. ACPO has made it clear that it believes that the answer to the concerns about binge drinking is to change the behaviour of customers and proprietors, as well as introducing stronger licensing regulations. We agree with the police. If we delayed the Act's implementation, we would not get the powers that we need, contrary to what the hon. Member for Bath suggested in his speech. He is wrong to say that we would have those powers anyhow. For example, if we delayed implementation, we would lose the power for review, which will be central to changing the incentives open to landlords, so that they know that, if they misbehave or cause problems, they will face an immediate review by residents or the police.

The hon. Member for Bath said that we should just rely on the current powers, but ACPO says that those powers are broken, and it has told us that they want new powers. Frankly, it is not folly to implement the Act; it would be folly not to do so against the advice of the police.

If we delay the Act's implementation, we would not have the powers to deal with binge drinking and the costs placed on businesses would rise. Hon. Members made important points about the costs, and we will look at them in the review that Sir Les Elton is chairing.

I can assure the hon. Member for Maldon and East Chelmsford (Mr. Whittingdale), who is the Chairman of the Select Committee on Culture, Media and Sport, that we will seriously consider the point that he made about village halls and sports clubs. The representatives of the Central Council of Physical Recreation and of Action with Communities in Rural England, who represent village halls, have written to hon. Members to say that they do not want the Act's implementation to be delayed. If we delayed it, they would lose the £2 billion of savings that they will get over the next 10 years and all the work, which he described so eloquently, that has been going on over the summer would have been wasted, and the money would have been wasted. Hon. Members have championed that cause, and they would not be thanked by their constituents if we imposed greater costs on them.

The hon. Members for Bath and for North-East Cambridgeshire said that we did not have evidence for the Act. In fact, flexible hours have been introduced in New Zealand, Victoria and New South Wales, and they have reduced alcohol consumption in all those places. Today's argument about delay is not about serious politics; it is just about chasing headlines. I believe that this is good legislation, but even those who have had concerns about the specifics of the Act now say that they want it to be implemented. When politicians in the House look at the Act impartially, they agree with us. The deputy leader of the Liberal Democrats served on the independent Nicholson committee in Scotland that recommended following the path that we are following and he backed our proposals. Why are the Liberal Democrats not following the advice of their deputy leader?

The hon. Member for Witney (Mr. Cameron), whom many Conservative Members back to become their next leader, has also said that he backs the proposals and the intention behind the Act. He has made it clear—

Mr. Hugo Swire (East Devon) (Con): How?

James Purnell: It is very clear that the hon. Member for Witney said:

"The idea behind the bill is to liberalise the licensing laws, simplify the system . . . and let pubs stay open for longer".

I would say amen to all those things. If that is a surprise to Opposition Members—

Mr. Patrick McLoughlin (West Derbyshire) (Con) *rose in his place and claimed to move,* That the Question be now put.

Question, That the Question be now put, *put and agreed to.*

Question put accordingly, That the original words stand part of the Question:—

The House divided: Ayes 218, Noes 293.

Division No. 67] **[9.59 pm**

AYES

Afriyie, Adam
Ainsworth, Mr. Peter
Alexander, Danny
Amess, Mr. David
Arbuthnot, rh Mr. James
Atkinson, Mr. Peter
Bacon, Mr. Richard
Baldry, Tony
Barker, Gregory
Baron, Mr. John
Barrett, John
Beith, rh Mr. Alan
Bellingham, Mr. Henry
Benyon, Mr. Richard
Bercow, John
Beresford, Sir Paul
Binley, Mr. Brian
Blunt, Mr. Crispin
Bone, Mr. Peter
Boswell, Mr. Tim
Brady, Mr. Graham
Brake, Tom
Brazier, Mr. Julian
Breed, Mr. Colin
Brokenshire, James
Brooke, Annette
Browne, Mr. Jeremy
Browning, Angela
Bruce, Malcolm
Burns, Mr. Simon
Burrowes, Mr. David
Burstow, Mr. Paul
Burt, Alistair
Burt, Lorely
Butterfill, Sir John
Cable, Dr. Vincent
Campbell, Mr. Gregory
Campbell, rh Sir Menzies
Carswell, Mr. Douglas
Cash, Mr. William
Clappison, Mr. James
Clark, Greg
Clifton-Brown, Mr. Geoffrey
Conway, Derek
Cormack, Sir Patrick
Cox, Mr. Geoffrey
Crabb, Mr. Stephen
Curry, rh Mr. David
Davey, Mr. Edward
Davies, Philip
Davies, Mr. Quentin
Davis, rh David *(Haltemprice and Howden)*
Djanogly, Mr. Jonathan
Dorrell, rh Mr. Stephen
Dorries, Mrs. Nadine
Duddridge, James
Duncan, Mr. Alan
Duncan Smith, rh Mr. Iain
Dunne, Mr. Philip
Ellwood, Mr. Tobias
Evans, Mr. Nigel
Evennett, Mr. David
Fallon, Mr. Michael
Farron, Tim
Featherstone, Lynne
Field, Mr. Mark
Forth, rh Mr. Eric
Foster, Mr. Don
Francois, Mr. Mark
Fraser, Mr. Christopher
Gale, Mr. Roger
Garnier, Mr. Edward
Gauke, Mr. David
Gibb, Mr. Nick
Gillan, Mrs. Cheryl
Goldsworthy, Julia
Goodman, Mr. Paul
Goodwill, Mr. Robert
Gove, Michael
Gray, Mr. James
Grayling, Chris
Green, Damian
Greening, Justine
Greenway, Mr. John
Grieve, Mr. Dominic
Gummer, rh Mr. John
Hammond, Mr. Philip
Hammond, Stephen
Hancock, Mr. Mike
Hands, Mr. Greg
Harper, Mr. Mark
Harris, Dr. Evan
Harvey, Nick
Hayes, Mr. John
Heald, Mr. Oliver
Heath, Mr. David
Heathcoat-Amory, rh Mr. David
Hendry, Charles
Herbert, Nick
Hoban, Mr. Mark
Hogg, rh Mr. Douglas
Hollobone, Mr. Philip
Holloway, Mr. Adam
Horam, Mr. John
Horwood, Martin
Howard, rh Mr. Michael
Howarth, David
Hughes, Simon
Hunt, Mr. Jeremy
Hunter, Mark
Hurd, Mr. Nick
Jack, rh Mr. Michael
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Johnson, Mr. Boris
Jones, Mr. David
Kawczynski, Daniel
Key, Robert
Kirkbride, Miss Julie
Knight, rh Mr. Greg
Kramer, Susan
Laing, Mrs. Eleanor
Lait, Mrs. Jacqui
Lamb, Norman
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Leech, Mr. John
Leigh, Mr. Edward
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Lilley, rh Mr. Peter
Loughton, Tim
Luff, Peter
Mackay, rh Mr. Andrew
Main, Anne
Malins, Mr. Humfrey
Maples, Mr. John
Mates, rh Mr. Michael
Maude, rh Mr. Francis
May, rh Mrs. Theresa
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Mercer, Patrick
Miller, Mrs. Maria
Milton, Anne
Mitchell, Mr. Andrew
Moore, Mr. Michael
Moss, Mr. Malcolm
Mulholland, Greg
Murrison, Dr. Andrew
Newmark, Mr. Brooks
O'Brien, Mr. Stephen
Osborne, Mr. George
Ottaway, Richard
Paice, Mr. James
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penrose, John
Pickles, Mr. Eric
Price, Adam
Prisk, Mr. Mark
Pritchard, Mark
Pugh, Dr. John
Rifkind, rh Sir Malcolm
Robathan, Mr. Andrew
Robertson, Hugh
Robertson, Mr. Laurence
Rogerson, Mr. Dan
Ruffley, Mr. David
Russell, Bob
Sanders, Mr. Adrian
Selous, Andrew
Shapps, Grant
Shepherd, Mr. Richard
Simmonds, Mark
Simpson, Mr. Keith
Soames, Mr. Nicholas
Spelman, Mrs. Caroline
Spink, Bob
Spring, Mr. Richard
Steen, Mr. Anthony
Streeter, Mr. Gary
Stuart, Mr. Graham
Stunell, Andrew
Swayne, Mr. Desmond
Swinson, Jo
Swire, Mr. Hugo
Syms, Mr. Robert
Tapsell, Sir Peter
Taylor, Mr. Ian
Taylor, Matthew
Taylor, Dr. Richard
Teather, Sarah
Tredinnick, David
Turner, Mr. Andrew
Tyrie, Mr. Andrew
Vara, Mr. Shailesh
Viggers, Peter
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Water, Mr. Robert
Waterson, Mr. Nigel
Webb, Steve
Whittingdale, Mr. John
Wiggin, Bill
Williams, Hywel
Williams, Mark
Williams, Stephan
Willott, Jenny
Wilshire, Mr. David
Wilson, Mr. Rob
Winterton, Ann
Winterton, Sir Nicholas
Wright, Jeremy
Yeo, Mr. Tim
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Ayes:
Michael Fabricant and
Mr. John Randall

NOES

Ainger, Nick
Ainsworth, rh Mr. Bob
Anderson, Mr. David
Anderson, Janet
Armstrong, rh Hilary
Atkins, Charlotte
Austin, Mr. Ian
Austin, John
Bailey, Mr. Adrian
Baird, Vera
Balls, Ed
Banks, Gordon
Barlow, Ms Celia
Barron, rh Mr. Kevin
Bayley, Hugh
Begg, Miss Anne
Bell, Sir Stuart
Benton, Mr. Joe
Berry, Roger
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blears, rh Hazel
Blizzard, Mr. Bob
Borrow, Mr. David S.
Brennan, Kevin
Brown, Lyn
Brown, rh Mr. Nicholas
Browne, rh Mr. Des
Buck, Ms Karen
Burden, Richard

Burgon, Colin
Burnham, Andy
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Caborn, rh Mr. Richard
Cairns, David
Campbell, Mr. Alan
Campbell, Mr. Ronnie
Caton, Mr. Martin
Cawsey, Mr. Ian
Challen, Colin
Chapman, Ben
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Cleiland, Mr. David
Clwyd, rh Ann
Coffey, Ann
Cohen, Harry
Connarty, Michael
Cook, Frank
Cooper, Rosie
Corbyn, Jeremy
Cousins, Jim
Crausby, Mr. David
Creagh, Mary
Cruddas, Jon
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
Curtis-Thomas, Mrs. Claire
Darling, rh Mr. Alistair
David, Mr. Wayne
Davidson, Mr. Ian
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dhanda, Mr. Parmjit
Dismore, Mr. Andrew
Dobbin, Jim
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Eagle, Angela
Eagle, Maria
Ellman, Mrs. Louise
Engel, Mrs. Natascha
Ennis, Jeff
Etherington, Bill
Farrelly, Paul
Fisher, Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Flynn, Paul
Follett, Barbara
Foster, Mr. Michael *(Worcester)*
Foster, Michael Jabez *(Hastings and Rye)*
Francis, Dr. Hywel
Gapes, Mike
Gardiner, Barry
Gerrard, Mr. Neil
Gibson, Dr. Ian
Gilroy, Linda
Godsiff, Mr. Roger
Goggins, Paul
Goodman, Helen
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. David
Hamilton, Mr. Fabian
Harman, rh Ms Harriet
Harris, Mr. Tom
Havard, Mr. Dai
Healey, John
Henderson, Mr. Doug
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodgson, Mrs. Sharon
Hoey, Kate
Hood, Mr. Jimmy
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Howarth, rh Mr. George
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Humble, Mrs. Joan
Iddon, Dr. Brian
Illsley, Mr. Eric
Irranca-Davies, Huw
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Lynne
Jones, Mr. Martyn
Jowell, rh Tessa
Joyce, Mr. Eric
Keeble, Ms Sally
Keeley, Barbara
Keen, Ann
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Laxton, Mr. Bob
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lloyd, Tony
Love, Mr. Andrew
Lucas, Ian
MacDougall, Mr. John
Mackinlay, Andrew
Mactaggart, Fiona
Malik, Mr. Shahid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCafferty, Chris
McCarthy, Kerry
McCarthy-Fry, Sarah
McDonagh, Siobhain
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
Meacher, rh Mr. Michael
Meale, Mr. Alan
Miliband, rh Mr. David
Miliband, Edward
Miller, Andrew
Mitchell, Mr. Austin
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moran, Margaret
Morden, Jessica
Morgan, Julie
Mountford, Kali
Mudie, Mr. George
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Naysmith, Dr. Doug
Norris, Dan
O'Brien, Mr. Mike
O'Hara, Mr. Edward
Olner, Mr. Bill
Osborne, Sandra
Owen, Albert
Palmer, Dr. Nick
Pickkitt, Mr. James
Pope, Mr. Greg
Pound, Stephen
Prentice, Bridget
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Mr. Ken
Purnell, James
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Riordan, Mrs. Linda
Robertson, John
Robinson, Mr. Geoffrey
Rooney, Mr. Terry
Roy, Mr. Frank
Ruane, Chris
Ruddock, Joan
Russell, Christine
Ryan, Joan
Salter, Martin
Sarwar, Mr. Mohammad
Seabeck, Alison
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Short, rh Clare
Simon, Mr. Siôn
Simpson, Alan
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Geraldine
Smith, rh Jacqui
Smith, John
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari
Taylor, David
Thornberry, Emily
Tipping, Paddy
Todd, Mr. Mark
Touhig, Mr. Don
Trickett, Jon
Truswell, Mr. Paul
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Usher, Kitty
Vaz, Keith
Vis, Dr. Rudi
Walley, Joan
Waltho, Lynda
Wareing, Mr. Robert N.
Watson, Mr. Tom
Watts, Mr. Dave
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Williams, Mrs. Betty
Winnick, Mr. David
Wood, Mike
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek

Tellers for the Noes:
Claire Ward and
Gillian Merron

Question accordingly negatived.

Question, That the proposed words be there added, *put forthwith, pursuant to Standing Order No. 31 (Questions on amendments):—*

The House divided: Ayes 289, Noes 216.

Division No. 88] **[10.15 pm**

AYES

Ainger, Nick
Ainsworth, rh Mr. Bob
Anderson, Mr. David
Anderson, Janet
Armstrong, rh Hilary
Atkins, Charlotte
Austin, Mr. Ian
Austin, John
Bailey, Mr. Adrian
Baird, Vera
Balls, Ed
Banks, Gordon
Barlow, Ms Celia
Barron, rh Mr. Kevin

Bayley, Hugh
Begg, Miss Anne
Bell, Sir Stuart
Benton, Mr. Joe
Berry, Roger
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blears, rh Hazel
Blizzard, Mr. Bob
Borrow, Mr. David S.
Brennan, Kevin
Brown, Lyn
Brown, rh Mr. Nicholas
Browne, rh Mr. Des
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Caborn, rh Mr. Richard
Cairns, David
Campbell, Mr. Alan
Campbell, Mr. Ronnie
Caton, Mr. Martin
Cawsey, Mr. Ian
Challen, Colin
Chapman, Ben
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Clelland, Mr. David
Clwyd, rh Ann
Coffey, Ann
Cohen, Harry
Connarty, Michael
Cooper, Rosie
Corbyn, Jeremy
Cousins, Jim
Crausby, Mr. David
Creagh, Mary
Cruddas, Jon
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
Curtis-Thomas, Mrs. Claire
Darling, rh Mr. Alistair
David, Mr. Wayne
Davidson, Mr. Ian
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dhanda, Mr. Parmjit
Diamond, Mr. Andrew
Dobbin, Jim
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Eagle, Angela
Eagle, Maria
Ellman, Mrs. Louise
Engel, Mrs. Natascha
Ennis, Jeff
Etherington, Bill
Farrelly, Paul
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Flynn, Paul
Follett, Barbara
Foster, Mr. Michael *(Worcester)*
Foster, Michael Jabez *(Hastings and Rye)*
Francis, Dr. Hywel
Gapes, Mike
Gardiner, Barry
Gerrard, Mr. Neil
Gibson, Dr. Ian
Gilroy, Linda
Goggins, Paul
Goodman, Helen
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. David
Harman, rh Ms Harriet
Harris, Mr. Tom
Havard, Mr. Dai
Healey, John
Henderson, Mr. Doug
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodgson, Mrs. Sharon
Hoey, Kate
Hood, Mr. Jimmy
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Howarth, rh Mr. George
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Humble, Mrs. Joan
Iddon, Dr. Brian
Illsley, Mr. Eric
Irranca-Davies, Huw
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Lynne
Jones, Mr. Martyn
Jowell, rh Tessa
Joyce, Mr. Eric
Keeble, Ms Sally
Keeley, Barbara
Kean, Ann
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Laxton, Mr. Bob
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lloyd, Tony
Love, Mr. Andrew
Lucas, Ian
MacDougall, Mr. John
Mackinlay, Andrew
Mactaggart, Fiona
Malik, Mr. Shahid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCafferty, Chris
McCarthy, Kerry
McCarthy-Fry, Sarah
McDonagh, Siobhain
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
Meacher, rh Mr. Michael
Meale, Mr. Alan
Miliband, rh Mr. David
Miliband, Edward
Miller, Andrew
Mitchell, Mr. Austin
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moran, Margaret
Morden, Jessica
Morgan, Julie
Mountford, Kali
Mudie, Mr. George
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Naysmith, Dr. Doug
Norris, Dan
O'Brien, Mr. Mike
O'Hara, Mr. Edward
Olner, Mr. Bill
Osborne, Sandra
Owen, Albert
Palmer, Dr. Nick
Plaskitt, Mr. James
Pope, Mr. Greg
Pound, Stephen
Prentice, Bridget
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Mr. Ken
Purnell, James
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Riordan, Mrs. Linda
Robertson, John
Robinson, Mr. Geoffrey
Rooney, Mr. Terry
Roy, Mr. Frank
Ruane, Chris
Ruddock, Joan
Russell, Christine
Ryan, Joan
Salter, Martin
Sarwar, Mr. Mohammad
Seabeck, Alison
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Short, rh Clare
Simon, Mr. Siôn
Simpson, Alan
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Geraldine
Smith, rh Jacqui
Smith, John
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Speller, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari
Taylor, David
Thornberry, Emily
Tipping, Paddy
Todd, Mr. Mark
Touhig, Mr. Don
Trickett, Jon
Truswell, Mr. Paul
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Usher, Kitty
Vaz, Keith
Vis, Dr. Rudi
Walley, Joan
Waltho, Lynda
Wareing, Mr. Robert N.
Watson, Mr. Tom
Watts, Mr. Dave
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Williams, Mrs. Betty
Winnick, Mr. David
Wood, Mike
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek

Tellers for the Ayes:
Claire Ward and Gillian Merron

NOES

Afriyie, Adam
Ainsworth, Mr. Peter
Alexander, Danny
Amess, Mr. David
Arbuthnot, rh Mr. James
Atkinson, Mr. Peter
Bacon, Mr. Richard
Baldry, Tony
Barker, Gregory
Baron, Mr. John
Barrett, John
Beith, rh Mr. Alan
Bellingham, Mr. Henry
Benyon, Mr. Richard
Bercow, John
Beresford, Sir Paul
Binley, Mr. Brian
Blunt, Mr. Crispin

Bone, Mr. Peter
Boswell, Mr. Tim
Brady, Mr. Graham
Brake, Tom
Brazier, Mr. Julian
Breed, Mr. Colin
Brokenshire, James
Brooke, Annette
Browne, Mr. Jeremy
Browning, Angela
Bruce, Malcolm
Burns, Mr. Simon
Burrowes, Mr. David
Burstow, Mr. Paul
Burt, Alistair
Burt, Lorely
Butterfill, Sir John
Cable, Dr. Vincent
Campbell, Mr. Gregory
Campbell, rh Sir Menzies
Carswell, Mr. Douglas
Cash, Mr. William
Clappison, Mr. James
Clark, Greg
Clifton-Brown, Mr. Geoffrey
Conway, Derek
Cox, Mr. Geoffrey
Crabb, Mr. Stephen
Curry, rh Mr. David
Davey, Mr. Edward
Davies, Philip
Davies, Mr. Quentin
Davis, rh David *(Haltemprice and Howden)*
Djanogly, Mr. Jonathan
Dorrell, rh Mr. Stephen
Dorries, Mrs. Nadine
Duddridge, James
Duncan, Mr. Alan
Duncan Smith, rh Mr. Iain
Dunne, Mr. Philip
Ellwood, Mr. Tobias
Evans, Mr. Nigel
Evennett, Mr. David
Fallon, Mr. Michael
Farron, Tim
Featherstone, Lynne
Field, Mr. Mark
Forth, rh Mr. Eric
Foster, Mr. Don
Francois, Mr. Mark
Fraser, Mr. Christopher
Gale, Mr. Roger
Garnier, Mr. Edward
Gauke, Mr. David
Gibb, Mr. Nick
Gillan, Mrs. Cheryl
Goldsworthy, Julia
Goodman, Mr. Paul
Goodwill, Mr. Robert
Gove, Michael
Gray, Mr. James
Grayling, Chris
Green, Damian
Greening, Justine
Greenway, Mr. John
Grieve, Mr. Dominic
Gummer, rh Mr. John
Hammond, Mr. Philip
Hammond, Stephen
Hancock, Mr. Mike
Hands, Mr. Greg
Harper, Mr. Mark
Harris, Dr. Evan
Harvey, Nick
Hayes, Mr. John
Heald, Mr. Oliver
Heath, Mr. David
Heathcoat-Amory, rh Mr. David
Hendry, Charles
Herbert, Nick
Hoban, Mr. Mark
Hogg, rh Mr. Douglas
Hollobone, Mr. Philip
Holloway, Mr. Adam
Horam, Mr. John
Horwood, Martin
Howard, rh Mr. Michael
Howarth, David
Hughes, Simon
Hunt, Mr. Jeremy
Hunter, Mark
Hurd, Mr. Nick
Jack, rh Mr. Michael
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Johnson, Mr. Boris
Jones, Mr. David
Kawczynski, Daniel
Key, Robert
Kirkbride, Miss Julie
Knight, rh Mr. Greg
Kramer, Susan
Laing, Mrs. Eleanor
Lait, Mrs. Jacqui
Lamb, Norman
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Leech, Mr. John
Leigh, Mr. Edward
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Lilley, rh Mr. Peter
Loughton, Tim
Luff, Peter
Mackay, rh Mr. Andrew
Main, Anne
Malins, Mr. Humfrey
Maples, Mr. John
Maude, rh Mr. Francis
May, rh Mrs. Theresa
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Mercer, Patrick
Miller, Mrs. Maria
Milton, Anne
Mitchell, Mr. Andrew
Moore, Mr. Michael
Moss, Mr. Malcolm
Mulholland, Greg
Murrison, Dr. Andrew
Newmark, Mr. Brooks
O'Brien, Mr. Stephen
Osborne, Mr. George
Ottaway, Richard
Paice, Mr. James
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penrose, John
Pickles, Mr. Eric
Price, Adam
Prisk, Mr. Mark
Pritchard, Mark
Pugh, Dr. John
Rifkind, rh Sir Malcolm
Robathan, Mr. Andrew
Robertson, Hugh
Robertson, Mr. Laurence
Rogerson, Mr. Dan
Ruffley, Mr. David
Russell, Bob
Sanders, Mr. Adrian
Selous, Andrew
Shapps, Grant
Shepherd, Mr. Richard
Simmonds, Mark
Simpson, Mr. Keith
Soames, Mr. Nicholas
Spelman, Mrs. Caroline
Spink, Bob
Spring, Mr. Richard
Steen, Mr. Anthony
Streeter, Mr. Gary
Stuart, Mr. Graham
Stunell, Andrew
Swayne, Mr. Desmond
Swinson, Jo
Swire, Mr. Hugo
Syms, Mr. Robert
Tapsell, Sir Peter
Taylor, Mr. Ian
Taylor, Matthew
Taylor, Dr. Richard
Teather, Sarah
Tredinnick, David
Turner, Mr. Andrew
Tyrie, Mr. Andrew
Vara, Mr. Shailesh
Viggers, Peter
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Walter, Mr. Robert
Waterson, Mr. Nigel
Webb, Steve
Whittingdale, Mr. John
Wiggin, Bill
Williams, Hywel
Williams, Mark
Williams, Stephen
Willott, Jenny
Wilshire, Mr. David
Wilson, Mr. Rob
Winterton, Ann
Winterton, Sir Nicholas
Wright, Jeremy
Yeo, Mr. Tim
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Noes:
Michael Fabricant and
Mr. John Randall

Question accordingly agreed to.

MR. SPEAKER *forthwith declared the main Question, as amended, to be agreed to.*

Resolved,

That this House commends the Government on its effective publicity campaign that, together with the excellent work of licensing authorities, has resulted in 97 per cent. of those needing to make applications having done so, with the expectation that virtually all those who want a licence will have the necessary licence by 24th November; welcomes the involvement of more local residents than ever before in the licensing processes and their ability to influence the hours that premises open near their homes; notes that there is no presumption in favour of late night drinking in the Act and that it is for licensing authorities to decide appropriate hours of trading where any dispute arises; considers that the implementation of the powers to review premises licences after 24th November are a vital step in fighting anti-social behaviour; and believes that delaying the implementation of the Act would be contrary to the wishes of the police, licensing authorities, the Central Council of Physical Recreation, Action with Communities in Rural England and industry and would be an unacceptable waste of the resources and effort put in by those who have been preparing for full implementation since 7th February 2005.

DELEGATED LEGISLATION

Motion made, and Question put forthwith, pursuant to Standing Order 118(6) (Standing Committees on Delegated Legislation),

CIVIL PARTNERSHIPS

That the draft Civil Partnership Act 2004 (Overseas Relationships and Consequential, etc. Amendments) Order 2005, which was laid before this House on 5th July, be approved —*[Joan Ryan.]*

Question agreed to.

EUROPEAN UNION DOCUMENTS

Motion made, and Question put forthwith, pursuant to Standing Order No. 119(9) (European Standing Committees),

MARKETING OF MAIZE GENETICALLTY MODIFIED FOR RESISTANCE TO CORN ROOTWORM AND CERTAIN PESTS AND HERBICIDES

That this House takes note of European Union Documents No. 8635/05, draft Council Decision concerning the placing on the market, in accordance with Directive 2001/18/EC, of a maize product (Zea mays L. line MON 863) genetically modified for resistance to corn rootworm and No. 10785/05, draft Council Decision concerning the placing on the market, in accordance with Directive 2001/18/EC, of a maize product (Zea mays L. line 1507) genetically modified for resistance to certain lepidopteran pests and for tolerance to the herbicide glufosinate-ammonium; and supports the Government's view that all the requirements of the Directive have been met in relation to these products and their proposed use should be authorised.—*[Joan Ryan.]*

Question agreed to.

Motion made, and Question put forthwith, pursuant to Standing Order No. 119(9) (European Standing Committees),

EU COMMON STRATEGY ON RUSSIA

That this House takes note of European Union Documents No. 8799/05 and Addendum 1, EU-Russia: Road Maps for the Common Economic Space, the Common Space of Freedom, Security and Justice, the Common Space of External Security and the Common Space of Research, Education and Culture; and agrees with the Government that the road maps for the Four Common Spaces agreed at the EU-Russia Summit on 10th May 2005 provide a valuable framework for the EUto achieve its objectives in its relations with Russia in the medium term. —*[Joan Ryan.]*

Question agreed to.

COMMITTEES

Mr. Speaker: With permission, I shall put together motions 5 and 6.

Ordered,

STATUTORY INSTRUMENTS (JOINT COMMITTEE)

That Mr Jeffrey M. Donaldson be discharged from the Joint Committee on Statutory Instruments and David Simpson be added.

TRADE AND INDUSTRY COMMITTEE

That Sir Robert Smith be discharged from the Trade and Industry Committee and Mark Hunter be added.—*[Joan Ryan, on behalf of the Committee of Selection.]*

PETITION

Council Tax

10.30 pm

Andrew Stunell (Hazel Grove) (LD): I am pleased to present a petition on behalf of my constituents. It was drawn up and circulated by Mr. Martin Leach of Romiley and contains 228 signatures from the Bredbury Green area of my constituency. Bredbury Green has a high proportion of pensioners, the most vulnerable group under the current inequitable system of local government finance.

The petition reads:

To The House of Commons

The petition of the Isitfair Council Tax protest campaign

Declares that the year-on-year above-inflation increases in Council Tax are causing hardship to many and take no account of ability to pay; further that the proposed property revaluation and re-banding exercise will make an already flawed system even worse.

The Petitioners therefore request that the House of Commons vote to replace Council Tax with a fair and equitable tax that, without recourse to any supplementary benefit, takes into account ability to pay from disposable income. Such tax to be based on a system that is free from any geographically or politically motivated discrimination, and that clearly identifies the fiscal and managerial responsibilities of all involved parties.

And the Petitioners remain, etc.

To lie upon the Table.

Affordable Housing (West Midlands)

Motion made, and Question proposed, That this House do now adjourn.—*[Joan Ryan.]*

10.32 pm

Mr. David Kidney (Stafford) (Lab): I am pleased to have secured tonight's Adjournment debate on this important subject.

For most people, the penny has dropped that the housing sector is not one homogenous whole, although there are still some people who have ventured only so far as to think that there is overheating in the housing market in the south-east and problems of low demand in the north. Even within that simplistic view of the housing sector there are empty homes in the south-east and areas of high-priced housing and tight housing markets in the north. However, the situation is much more varied than that.

I like to think of the west midlands as a microcosm of the entire country's housing market. For example, in the west of the west midlands there are sparsely populated rural areas in Herefordshire, Shropshire, the north-east of the area and Staffordshire, Moorlands. In the centre, major conurbations such as Birmingham are regenerating, growing and becoming increasingly engines of future development.

In Stoke and in Sandwell, two areas of housing market renewal, we are trying to build up areas of housing where markets have become distressed in the past. In some parts of the region, in counties such as Warwickshire and Worcestershire, there are terrible housing hot spots where even key public sector workers cannot afford to buy a home.

On top of all that, the regional housing strategy that was agreed in June identified a need for a net 13,464 new affordable dwellings in the region in just three years, from 2006–08. It is important to impress on the Minister and on everyone who is interested in this subject that different solutions are required in different places. That applies in the west midlands and in the broader country, too. It is vital that the very diversity that makes the west midlands so fascinating and gives us so much economic and social potential should be matched with a housing sector that is also diverse, flexible and dynamic.

I hope to cover two central points. First, we need more affordable housing in our region—more than we already have and more than is planned. Secondly, rural areas need special attention if there is to be enough affordable housing for local people in their rural communities. What I mean by "affordable housing" is low-cost housing that people can buy on the open market, and subsidised public or private housing, whether it be for rent, sale or shared ownership. My starting point is Shelter's analysis and campaign on the subject, starting a few years ago with its million children campaign, which reminded us of the devastating impact of homelessness, overcrowding and unfit housing on children's health, education and life chances.

Shelter's analysis focuses on a chronic shortage of social rented housing. I hope to go further than that, but in its new campaign document "Building hope: the case for more homes now", it calls for 20,000 more social rented homes each year from 2008 to 2011, in addition to planned outputs. It says that that package could help to lift more than 150,000 children out of bad housing by 2011.

The Barker review of housing supply identified the broader lack of supply across all tenures. According to Barker, builders, who already provide about 160,000 new properties a year for open market sale, should raise that by between another 70,000 and 120,000 a year. Although registered social landlords and councils are adding nearly 20,000 new affordable homes a year, Barker suggests that an extra 17,000 a year above that is needed to meet expected future demand. Barker also says that there is a case for up to another 9,000 a year above that rate to make inroads into the backlog of need.

Of the 21 million or so existing homes in Britain, more than 1 million houses are below the current fitness standard—most are in the owner-occupied sector—500,000 households are in overcrowded accommodation, and 90,000 households are in temporary accommodation. On top of those problems, on 1 April 2004, 693,000 dwellings in England were standing empty—most of them in the private sector—and at any one time more than 300,000 potential homes stand empty for more than six months. That is more than the figure for every council's waiting list of those who have been accepted as homeless and in priority need. The amount of existing assets that stand empty when we could be putting them to use is a crying shame.

Against that background, what is the Government's position on housing policy generally? Under Labour since 1997, home ownership has increased by 1 million, and the target is set for another increase in this Parliament of a further 1 million home owners. This year, the Council of Mortgage Lenders published useful research called "Understanding first-time buyers". It shows that the number of first-time buyers has declined recently, but that they remain crucial to the health of the housing market as a whole. Renting fulfils a need for flexibility and mobility, but in the longer term 80 per cent. of young adults still want to be owner occupiers. However, the size of the deposit paid by first-time buyers has risen so that some of them rely on parents and grandparents for help with that. The research by the Council of Mortgage Lenders concludes that Government policy needs to focus on more flexible movement into and out of home ownership to reflect changing lifestyles. It also says that further development of an intermediate tenure could help to sustain the long-term future health of the housing market.

In addition to home ownership, the Government have raised the stamp duty threshold from £60,000 to £120,000. An extra 300,000 home buyers a year will be exempt from paying stamp duty as a result. The Government have also reduced rough sleeping in a dramatic way. The number of those sleeping rough is now less than one quarter of the figure given for 1998. In Birmingham in 1998—admittedly, these are estimates by the Office of the Deputy Prime Minister—there were 56 rough sleepers, but in 2005 there are just seven. That is a commendable performance.

Lynne Jones (Birmingham, Selly Oak) (Lab): Does my hon. Friend share my concern about the rising number of families in temporary accommodation in Birmingham and the long delays in council assistance with permanent housing? Since 1997, the number of relettings available from Birmingham city council have been reduced by half. The proportion of relets allocated

[Lynne Jones]

to homeless families has increased from a third to three quarters. People who are not homeless have no chance at all of being given council housing.

Mr. Kidney: My hon. Friend's statistics reinforce the urgency of the situation, to which I hope the Under-Secretary of State, Office of the Deputy Prime Minister, my hon. Friend the Member for Poplar and Canning Town (Jim Fitzpatrick) will respond in his reply..

The Government have plans for a stronger intermediate housing market to help people achieve home ownership at an affordable pace. A new "homebuy" scheme for council and housing association tenants has been planned. A first-time buyers initiative will help first-time buyers who cannot afford to own or part-own a home without extra help. Existing home ownership schemes such as the key worker living scheme and shared ownership are being strengthened. In addition, the Government are releasing more vacant public sector land for housing. Their funding for social housing has doubled, and they wish to improve not just supply but quality. Existing social housing, for example, is subject to the decent homes standard, which has raised more than 1 million homes to a decent standard. The Government are also concentrating on the need for warmer homes. In addition to work under the decent homes standard, projects such as warm front have provided insulation and improved heating in more than 1 million homes. Higher standards for building new homes so that they are sustainable are at the heart of the Government's strategy. The more public money that the Government pay to build homes, the more they can insist that those homes are built to a given standard. From next April, a code for sustainable building will be introduced, and it is pleasing that the Government have announced that they expect homes paid for by public funds to meet that standard.

By 2008, the Labour Government promise to build 30,000 new social homes, including new build by councils. Councils have stronger powers to bring empty properties back into use, and a range of legislation has been introduced to enable them to do so. For example, councils can impose a fuller council tax on empty properties instead of rewarding the owners for keeping them empty with cuts. Councils can secure information to track down the owners of empty properties so that they can hold discussions with them. The Housing Act 2004 includes a power for councils to exercise new empty property management orders so that empty properties can be brought into productive use for society's benefit.

A week ago, during the national week of action of empty homes, I published a pamphlet calling for a new classification of empty properties as "redfield" sites. Such sites would be used to designate land containing vacant property that could be brought back into use as residential housing. Government guidance to planners would require them to apply the sequential test to the provision of housing sites. Redfield sites containing empty properties would be considered first for their suitability as sites for new homes. Brownfield sites would be considered next and then, as now, greenfield sites.

The need for affordable housing can be met by building new homes; by converting existing houses and other buildings; and by bringing vacant homes and other vacant properties back into residential use. That national plan is applied locally by the west midlands regional housing strategy, a well-researched document prepared after extensive consultation with local authorities and other stakeholders. There are agreed priorities for the region, including urban and rural renaissance and something that the strategy calls "The Big Issue: Affordability". All those priorities have been developed within the context of mixed, balanced and inclusive communities.

West midlands housing resources for the current financial year include a Government housing allocation of more than £180 million. As a result of the last spending review an estimated 2,000 social rented units will be delivered in the west midlands in 2007–08. There is a desperate need to help large numbers of residents trapped in overcrowded or unfit housing, as well as people who have no permanent housing at all. An eighth of England's homeless live in the west midlands, and about 120,000 households are registered on council housing lists. There are 116,000 unfit dwellings and 75,000 empty homes. Last year, 5,332 council homes were sold under the right to buy, including 200 in Stafford.

Sadly, however, despite that background, the constituency of Stafford is not identified in our regional plan as an area of particular need requiring special help for meeting our needs for affordable housing. That dismays me, because I uncover in my casework a great deal of pressure across the board for help with affordable housing, be it from young couples looking for their first home, key public sector workers having trouble finding a home to buy, existing tenants of councils and housing associations wanting to move or to buy but finding themselves trapped where they are, or retired people on limited incomes who want to downsize but cannot find anywhere to suit their pocket. Increasingly, I am also having to advise people who have been knocked back by councils in homelessness applications to challenge them in the courts.

In addition to all this, the house price to average salary ratio in my constituency is as high as 8:1. Furthermore, 80 per cent. of the South Staffordshire district—part of which is in my constituency—is unsuitable for the building of new homes because of green-belt and other open countryside policies. That means that housing is concentrated in the existing villages, where restrictive planning policies result in very high prices that local people cannot afford.

The Shelter campaign's request for 20,000 additional social rented houses a year in England would translate into an extra 1,330 units annually in the west midlands during the three years from 2008. Shelter estimates that that could help to lift more than 11,500 children out of bad housing. Will the Minister acknowledge the urgency of the need for more affordable housing across the whole of the west midlands region? Will he also spare a thought for the specific needs of my constituency?

I would ask the Minister to adopt policies such as ensuring that Labour's manifesto promises relating to the Homebuy programme, the first-time buyers' initiative, the key worker living scheme, and shared ownership will apply in the west midlands. The key worker living scheme does not apply outside the south-east. Will the Minister ensure that there are stronger planning powers under new planning policy statement 3,

when it appears, which would enable councils to secure affordable housing as part of all new developments? Will he also ensure that there is greater certainty for developers, registered social landlords and private property investors, so that they will invest in our region? Will he look at Shelter's Building Hope agenda, so that there can be more homes? Will he introduce policies for more funding, for stronger section 106 agreements, for modernising the private rented sector and for further reform of the right to buy?

I hope that we will take forward the Deputy Prime Minister's initiative for affordable homes built by modern methods of construction at affordable prices. I should like to mention that there is a developer in my Stafford constituency who would like to see affordable homes being built as part of his wider regeneration projects, but who argues for a tax credit arrangement for a public subsidy to him, instead of the complex system of applying for grants. He also has an idea for establishing an institute for modern building technology to train the labour force required for putting into practice modern methods of construction. I hope that all that will be welcomed by the Minister.

Rural housing needs particular attention. In the last Parliament, Labour set targets for the creation of affordable homes in rural areas, and met them. In our manifesto, we promised to explore how to ensure that a proportion of all new housing development could be made available and affordable to local residents and their families in rural areas. In fairness, the Government have now established what they promised in their rural manifesto: an affordable rural housing commission, chaired by Elinor Goodman, which is due to report early next year.

Let us remember that rural Britain generates 30 per cent. of the nation's jobs and 25 per cent. of its gross domestic product, all from 23 per cent. of the nation's population. However, the lack of affordable housing in rural areas is a key challenge. Many of my constituents have raised this issue with me many times. Sometimes, the houses are just not there to enable children to live in the places where they grew up. In other cases, the homes that are there are simply too expensive for them to afford, so they are unable to live locally.

The west midlands regional housing strategy goes so far as to suggest that, in rural areas, consideration should be given to allocating 100 per cent. affordable housing sites. That is an impressive commitment to what could be done through planning law to ensure that we can have affordable housing in rural areas. We also need special measures, including more stretching targets for new affordable homes in rural areas—recognising the higher costs of rural developments, both in land prices and unit building costs—and ring-fencing the investment needed to meet the higher targets. We also need innovative co-operative, mutual and other models under which the affordability can be locked in for all time. Similarly, we need to make more attractive the use of exceptions sites for new affordable homes.

On right to buy, I would also argue that councils in rural areas, and housing associations in rural areas with a population larger than 3,000, ought to have more protection from losing their stock to right to buy. Let me give the example of one village in my constituency, Wheaton Aston, where the South Staffordshire Housing Association has a stock of 58 units of affordable homes but currently has a waiting list of 74 and a turnover in 2004–05 of just three. For the full picture for my constituency, one would have to multiply those figures by a factor of about 30. To get the full picture in the west midlands, where there are 59 constituencies, one would have to multiply again. It is therefore a huge problem.

That is why, across the west midlands, there are families, single people and vulnerable individuals who have no secure homes of their own. Some would like to buy a home but cannot do so without help. Others would like to make progress towards home ownership, but there is no supply of intermediate housing for them. Others still want to rent, because they prefer this tenure long-term, or because renting suits their immediate needs. On the other hand, there are developers willing to provide, investors willing to fund, builders willing to construct, and registered social landlords and councils willing to manage. I am asking the Minister to join up the supply side and help meet the demand.

We should not rest while there is so much unmet need for affordable housing. Opportunity, ambition and lifetime achievement will be hindered until those in need can have access more consistently, in greater numbers and with wider choice to a range of affordable housing in all parts of the west midlands. I therefore ask the Minister to help the west midlands to help itself to meet the pressing need for affordable housing.

10.51 pm

The Parliamentary Under-Secretary of State, Office of the Deputy Prime Minister (Jim Fitzpatrick): I thank my hon. Friend the Member for Stafford (Mr. Kidney) for raising the issue of affordable housing, which the Government consider to be of great importance to the future economic and social development and well-being of our country. Before moving to the specifics of the west midlands, I want to outline what we are trying to achieve nationally, as well as that which we have accomplished. Some of those issues were raised by my hon. Friend.

First, as my hon. Friend mentioned, the number of home owners has increased by 1 million since 1997. Repossessions have fallen from 75,000 in 1991 to just over 6,000 in 2004 and mortgage interest rates have remained at low levels over a considerable period. We have a strategy to increase housing supply, as set out in the communities plan and that is now delivering results in London and the south-east—a 36 per cent. increase in new homes built between 2001 and 2005, combined with increasing densities and reuse of brownfield land. That is addressing one of the causes of affordability problems: that, over several decades, we have simply not built enough new homes.

My hon. Friend raised the issue of homelessness and the fact that it is perceived as increasing and becoming the predominant route to social housing. We have tried to tackle the worst homelessness problems, as I am sure he knows. We have reduced rough sleeping by 75 per cent. and ended the long-term use of bed-and-breakfast accommodation for families with children. The number of people becoming homeless is also falling. The latest statistics, from April to June this year, show homeless acceptances as 17 per cent. lower than in the same period in 2004.

A range of measures are necessary in addition to a stable market and increasing supply to tackle the problem of the lack of affordable homes. Since 1997, we

[Jim Fitzpatrick]

have doubled the investment in affordable housing for rent or purchase. Over the three years to 2006, £5 billion will be spent. That investment will support the delivery of our new range of simpler, more affordable, more accessible home ownership schemes. In the short term, through our new homebuy schemes, we will help more than 100,000 households to own their own home by 2010. Homebuy will provide a flexible shared equity-based product that will increase access to home ownership for those currently priced out of the market. It will also provide opportunities for social tenants to buy a share in their homes. Homebuy will reinforce the longer-term strategy by increasing home ownership opportunities for key workers now.

Many initiatives focus on the urban areas where key workers and first-time buyers have found it difficult to obtain affordable housing but, as my hon. Friend said, rural areas have not been and will not be overlooked. Current schemes are designed to be flexible enough to respond to the needs of rural as well as urban communities. The Rural Affordable Housing Commission is now examining issues, problems and solutions across the country in rural areas, and will make recommendations based on good practice.

Empty homes are also a factor in the contribution to an adequate supply. My hon. Friend produced a useful pamphlet that highlights the issue, but we do not agree that a new "redfield" label is required. Over the last decade, the number of vacant dwellings has dropped by nearly 180,000, to 690,000 in 2004. More remains to be done and we recently provided local authorities with a new tool—empty dwelling management orders—to support their efforts to return empty dwellings to use. There are also tax incentives to support the use of space above shops, the conversion of properties and the renovation of properties that have been empty for three or more years.

The west midlands contains some urban areas where market restructuring is essential and, indeed, is pressing ahead—for example, the north Staffordshire and Birmingham-Sandwell housing market renewal pathfinder areas. But in other areas there are significant affordability and supply issues comparable with those seen in parts of the south-east. The regional spatial strategy has had a key input in the update of the regional housing strategy that was completed in June this year.

The importance of housing in delivering the region's wider objectives is demonstrated by the commitment to an extensive research exercise. That research, which is the envy of many other regions, has provided a comprehensive picture of the housing problems in the west midlands. It was led by Birmingham university's centre for urban and regional studies, which identified the key issues and used extensive engagement to develop a consensus on the priorities for action.

The research resulted in the definition of four housing market areas in the region. In each area, surveys of needs and aspirations were considered together with average house prices, incomes and trends in household formation. It confirmed that affordability problems are experienced most acutely in the west and south of the region, where price-to-income ratios reach a value of nine. In the north of the region, although prices are lower, incomes are also lower. That has resulted in affordability problems that had not previously been highlighted.

On the basis of the estimates of affordable housing needs for each market area, a total of 78,000 affordable dwellings will be required across the region over the period to 2021. The central market area, including the Birmingham conurbation, has the greatest requirement: more than 45,000 dwellings. Issues highlighted include the need to provide improved choice of property type across the area, where terraced properties are over-represented.

Lynne Jones: Is my hon. Friend satisfied that there are enough new affordable homes, particularly for rent, to meet demand? I gave some figures earlier. In Birmingham, the number of re-lets has fallen from 9,200 a year in 1997 to 4,600. As a result, a higher proportion are being used to deal with homelessness. Will he ensure that the supply is adequate? Birmingham city council has been demolishing homes without building replacements. That council alone needs 3,000 new homes a year, more than even Shelter—

Madam Deputy Speaker (Sylvia Heal): Order. The hon. Lady's intervention is going on rather.

Jim Fitzpatrick: My hon. Friend makes a strong point. I know that she has written to the Office of the Deputy Prime Minister. I also know that there is to be an Adjournment debate later this week to deal with aspects of the Birmingham difficulties.

I can only repeat what I tried to say at the beginning of my speech. Decades of decline in house building have led to a serious problem and the issue of affordable housing and the building of enough affordable homes in the country is at the top of the ODPM's agenda. We are doing all that we can to address the deficit in the meantime, and opportunities such as this to put on record what has been done nationally and regionally will help to fuel the debates and allow us to make progress, with the assistance of my hon. Friends.

In the west market area—Herefordshire and Shropshire—there are also high levels of home ownership, with significant retirement migration and a limited mix of properties. This pressure on prices has led to a requirement for 12,000 affordable homes. My hon. Friend the Member for Stafford will be most interested in the north market area, which covers Stoke and northern Staffordshire. This, like the central area, suffers from an over-representation of terraced properties. The economy is weak and insular, and generally low incomes have led to a requirement for 3,000 affordable homes.

To address the need for affordable housing in the west midlands over the next two years, £198 million has been allocated to the Housing Corporation—an 11 per cent. increase on the figure for the past two years. That funding is prioritised toward the mainly rural areas of the region in the south and west housing market areas. It will deliver an increase in affordable homes—from 1,200 for 2004–06 to 2,500 for 2006–08—in these largely rural areas.

To improve delivery, the Housing Corporation is seeking ways to improve the cost-effectiveness of its programmes. These range from innovative and modern

methods of construction to working with leading partner registered social landlords. The regional housing board is facilitating region-wide sharing of good and innovative practice in the delivery of the regional housing strategy. Practitioners will be encouraged to think the unthinkable in considering the most effective ways of delivering affordable housing. Solutions will be sought from all sectors—legal, financial, technological, property, house-building, voluntary and charitable—as well as local authorities and RSLs.

The Government are delivering a stable housing market that in itself will help to address many of the factors associated with the affordability of housing. The west midlands regional housing board has gained a thorough understanding of the problems across the region and the regional housing strategy provides guidance on the issues to be addressed in each of the housing market areas. The Housing Corporation and the regional housing partnership will work with sub-regional partners to deliver more affordable housing, and to develop and implement best practice across the region.

Question put and agreed to.

Adjourned accordingly at two minutes past Eleven o'clock.

House of Commons

Tuesday 25 October 2005

The House met at half-past Two o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

HEALTH

The Secretary of State was asked—

Primary Care Trusts

1. **Dr. Vincent Cable** (Twickenham) (LD): If she will make a statement on the future of primary care trusts. [20905]

The Secretary of State for Health (Ms Patricia Hewitt): The national health service has made excellent progress in improving hospitals. We now need to focus on community services and ensure that primary care trusts deliver the community health care services that patients want and need. We have therefore asked health authorities and PCTs to review their structure and come forward with proposals for change where that is needed.

Dr. Cable: Can the Secretary of State explain why a major NHS reform that was politically contentious was launched not by her in Parliament but by an official in the recess? Can she nevertheless give us an assurance that PCTs that are working well through joint working with local councils and running good community hospitals will be left to continue their work rather than being subject to the Maoist process of constant reorganisation and revolutionary upheaval?

Ms Hewitt: I was not aware that the hon. Gentleman was an expert on permanent revolution or Chairman Mao. I agree that it would have been preferable if the statement made by Sir Nigel Crisp at the end of July had been available earlier to hon. Members. However, that statement set out the criteria that we want strategic health authorities and PCTs to take into account. Crucially, that includes ensuring that PCTs work closely with social services authorities, particularly to ensure better integration of health and social care.

Mr. Paul Truswell (Pudsey) (Lab): When my right hon. Friend looks at structural change and the provision of services, will she ensure that Leeds, which has five PCTs, is carefully considered? Its PCTs provide commissioning as well as service provision on a localised basis. The West Leeds plus scheme, for example, provides services to prevent the unnecessary admission of old people to hospital.

Ms Hewitt: I can certainly give my hon. Friend that assurance. Far from trying to impose a one-size-fits-all change from the centre, we are asking strategic health authorities and PCTs to look at what is working well in their area to see whether change is needed and, if so, to introduce proposals. When we look at the proposals for Leeds, I shall certainly bear in mind his points. I hope that I have an early opportunity to visit the scheme to which he referred.

Sir Nicholas Winterton (Macclesfield) (Con): Does the Secretary of State accept that, while the four Cheshire PCTs, in accordance with the Government request, are prepared to merge and restructure into one, all informed people in east Cheshire—an area that my hon. Friend the Member for Congleton (Ann Winterton) and I have the pleasure to represent in the House—including doctors, nurses and patients believe that there should be two PCTs? An east Cheshire PCT and a west Cheshire PCT would be appropriate, because the interests and needs of west Cheshire are very different from those of east Cheshire, which also serves west Derbyshire and north Staffordshire.

Ms Hewitt: The hon. Gentleman makes an important point. We asked health authorities and PCTs to consult local government and other key individuals, including hon. Members representing the district. Although I have not yet had an opportunity to see the proposals for Cheshire east or west, I will look at them with particular interest in the light of his comments.

Tom Levitt (High Peak) (Lab): Will my right hon. Friend guarantee that she will not authorise any changes to PCTs unless there is a clear and demonstrable health benefit from the change that will not be achieved on the back of years of uncertainty for PCT staff?

Ms Hewitt: All the changes that are being made in the NHS are designed to achieve even better services for patients and users. That is the goal and the test of everything that we do. I assure my hon. Friend that district nurses, health visitors and other staff who deliver services in the community will continue to be employed by the PCT unless and until it decides otherwise. Any such decision would be made locally in light of the forthcoming White Paper on community health and care services and, of course, with full consultation with patients, users and staff.

Mr. Kevin Barron (Rother Valley) (Lab): Will my right hon. Friend assure the House that all the changes that are to take place, whether reconfiguration or changes in the provision of services and commissioning, will be subject to full consultation, including with hon. Members, and not during the long summer recess?

Ms Hewitt: I can readily give my right hon. Friend that assurance. The proposals that are coming forward are proposals for consultation. We will examine them in the light of the criteria that we published. If we are satisfied that a particular proposal is based on

those criteria and on proper initial consultation, it will go forward for full consultation in line with statutory procedures—three months' consultation with local people, including of course hon. Members. That is the process. If the proposals that come forward have not been based on initial proper consultation and do not fit the criteria, they will not even proceed to consultation.

David Howarth (Cambridge) (LD): Does the Secretary of State accept that one of the problems with amalgamations of PCTs is that many PCTs suffer historic financial deficits, making them unattractive partners for other PCTs? Will she undertake to stabilise the financial situation of any PCT that is proposed to be amalgamated?

Ms Hewitt: The hon. Gentleman raises an important point. There is a minority of PCTs that are in deficit according to last year's accounts and having to manage a financial recovery plan now. That is not in itself a bar to a merger if there are good reasons for PCTs to merge, and many of them have been discussing mergers for many months, but it is an issue that not only the PCTs but the strategic health authority will need to look at closely and it underlines the importance of PCTs and other parts of the NHS that have deficits meeting their commitment to getting those deficits under control and achieving their financial recovery targets in the current financial year.

Mr. Eric Illsley (Barnsley, Central) (Lab): Will PCTs be required to split the commissioning role from the provider role, regardless of how well a particular PCT is performing?

Ms Hewitt: Decisions on services will be made locally in the light of the forthcoming White Paper on community health and care services, and subject to full public consultation with staff, patients and users. This is about getting the best services for patients and users in each local area. It is not about a top-down, one-size-fits-all model.

Mr. Simon Burns (West Chelmsford) (Con): Does the Secretary of State accept that, before structures are changed, there must be a clear definition of the role of any new body? May I press her, following the question from the hon. Member for Barnsley, Central (Mr. Illsley)? There is considerable confusion. Will the reorganised PCTs be responsible for providing services, and if not, who will be?

Ms Hewitt: As we stated in "Commissioning a patient-led NHS", the commissioning role of PCTs in the NHS of the future will be increasingly important. We need strong, effective, expert primary care trusts that can, where necessary, challenge and hold to account general practitioners and hospitals, and which can ensure that they have in their area the best possible services for patients and a much closer integration of health and social care services. We must get the commissioning right and that is why reorganisation is needed in some cases. As I have just said, community staff employed by PCTs will continue to be employed by PCTs unless and until the PCT decides otherwise, following full public consultation.

Avian Influenza

2. **John Robertson** (Glasgow, North-West) (Lab): What discussions she has had with devolved Governments on the measures required to reassure the public in the event of an outbreak of avian influenza. [20906]

The Parliamentary Under-Secretary of State for Health (Caroline Flint): The UK influenza pandemic contingency plan, which was relaunched by the chief medical officer for England last week, was developed with the co-operation of Wales, Scotland and Northern Ireland. My officials also meet their opposite numbers in the devolved Administrations on a monthly basis to discuss the wide range of pandemic flu communication issues. We recognise the need to have clear, factual information about pandemic flu available to the public, and we have responded to that need.

John Robertson: I thank my hon. Friend for that comprehensive answer. A large number of elderly people live in my constituency. Over the weekend, press reports exaggerated what is happening. For instance, one paper carried the headline, "Bird flu is in Britain"—the word "is" was underlined—and followed it up with "two million under threat as the killer virus arrives".

That is obviously not true. Will my hon. Friend meet the media and try to alleviate the problem that they cause by frightening people, in particular the elderly, who are at risk from any kind of flu?

Caroline Flint:[1] My hon. Friend has made an important point. The Government, the media and our communities need to work together to make sure that we get clear, factual information across to the public. People have been confused by some of the reports. Avian flu affects birds, but presents a very low risk to the general population in Europe. Pandemic flu, the issue about which we are concerned, does not yet exist and involves a strain of flu passing from person to person. We should work together to make sure that those points are clear. I am pleased to say that a pack is being sent to help clinical professionals such as GPs and primary care workers and their patients understand the facts, and I understand that the devolved Administrations are following that scheme.

Mrs. Iris Robinson (Strangford) (DUP): Is the Minister content that preparation in Northern Ireland is as advanced as that anywhere else in the United Kingdom, particularly when it comes to stockpiling antiviral drugs, and will she reassure the people of Northern Ireland that that is the case?

Caroline Flint: As I told my hon. Friend the Member for Glasgow, North-West (John Robertson), we are working closely with everybody throughout this country and beyond—Northern Ireland, Wales, Scotland and England. We are considering the matter collectively to make sure that everybody has equal access to the necessary services and information. I will examine the issue and write to the hon. Lady.

Angela Eagle (Wallasey) (Lab): Is my hon. Friend worried about the outbreak of avian flu in quarantine? The parrot seems to have been infected by being too closely connected with Taiwanese birds. Is she in touch with Ministers from the Department for Environment, Food and Rural Affairs on the lessons that need to be learned on the importation of birds from areas in which avian flu is more prevalent, so that we can reduce the risk of the avian flu virus getting out of quarantine?

Caroline Flint: As we speak, in Europe the Agriculture and Fisheries Council is discussing imports of exotic birds. On quarantine rules, there are no instructions that prevent different batches of birds from being mixed, but the quarantine period for all birds starts from the date on which the last batch of birds entered quarantine. Birds are kept for 30 days, provided that all disease tests are negative, and they are released only on the instruction of a vet from the state veterinary service. We should all be reassured that that parrot was identified and dealt with, which means that we are still avian flu-free in the United Kingdom.

Dr. Andrew Murrison (Westbury) (Con): Given the various scenarios offered in last week's contingency plan, have the Minister's discussions extended to an assessment of available bed space? Will UK contingency planning include a review of the current programme of intermediate care bed closures? That issue is highlighted by early-day motion 752, which was tabled by me and my hon. Friend the Member for South Cambridgeshire (Mr. Lansley) and which has been signed by more than 70 hon. Members.

Caroline Flint: I understand that Opposition Members paid tribute in last week's debate to the way in which our emergency services prepare for different scenarios. Operational guidance to help NHS planners prepare for the pandemic has been provided, and clinical management and infection control guidelines have also been published for comment. The discussion is ongoing, and we seek to learn and listen—*[Interruption.]* Issues such as bed spaces and the provision of services are under discussion.

NHS Finance

3. **Stephen Hammond** (Wimbledon) (Con): If she will make a statement on the financial position of the NHS. [20907]

The Secretary of State for Health (Ms Patricia Hewitt): The national health service has achieved overall financial balance in each of the past four years up to 2004–05. The audited accounts show that the NHS as a whole ended 2004–05 with an overall deficit of around £250 million. That represents about 0.4 per cent. of total NHS resources, which are of course bigger than ever before.

Stephen Hammond: There is no doubt that the Government have been spending billions on the NHS, but have they been spending it wisely and does the position that the right hon. Lady described apply all over the country? The reality for my constituents in Wimbledon is that our primary care trust is forecast to be £5.2 million in debt this year. Even after an emergency recovery plan, our major accident and emergency resource at St. George's hospital is forecast to be £10.2 million in debt. Its management say that there will be no effect on health care, but clinicians privately disagree. The reality in most constituencies is that the NHS is in debt and in crisis.

Ms Hewitt: Eight years ago, three quarters of NHS organisations were in deficit. The overall deficit was nearly 1.5 per cent. of a total that was a great deal smaller—about half what it is today. The NHS had been starved of funds for years. Thanks to our investment, which the Conservatives opposed, and our reforms, the NHS is employing more staff, treating more patients and saving more lives than ever before. Yes, we do expect NHS organisations to live within their very substantially increased means and, where necessary, to deliver on the financial recovery plans that they have agreed, but we would never be able to achieve such results if we were to take £1.5 billion out of the NHS and put it into a patient's passport to subsidise private health care. We will never do that.

Mr. Andrew Smith (Oxford, East) (Lab): Will my right hon. Friend urgently investigate the financial deficits affecting health care trusts in Oxfordshire? Will she take action to safeguard patient care, including at the mental health care trust, which was heading for financial balance this year and has gone from one star to three stars in as many years, yet has seen that good performance and care rewarded by £1.65 million of cuts that are as damaging as they are unfair?

Ms Hewitt: I have indeed looked with some concern at the position in Oxfordshire and the Thames valley, where there have been deep-seated problems of financial management despite the fact that, in line with other parts of the country, they have had more investment than ever before. My noble Friend Lord Warner has already undertaken to meet my right hon. Friend. We and the strategic health authority will do everything possible to ensure that Oxfordshire comes back into financial balance, which it needs to do, while continuing to deliver a very high quality of care to the patients in his constituency and in others in that area.

Ann Winterton (Congleton) (Con): Notwithstanding the right hon. Lady's previous replies, is she aware that vital services, including accident and emergency, maternity services and children's services, are being threatened at the East Cheshire NHS Trust district general hospital at Macclesfield? All three Members of Parliament representing the area—my hon. Friends the Members for Macclesfield (Sir Nicholas Winterton) and for Tatton (Mr. Osborne) and myself—are completely opposed to what might happen, which would mean that our constituents might have to travel for at least an hour to get to emergency services. Will the Secretary of State look into that issue and agree to see all three of us to discuss it?

Ms Hewitt: My hon. Friends and I are always willing to see Members of Parliament to discuss those constituency issues. However, I stress that, as well as giving both the NHS as a whole and each primary care trust more money than ever, we have devolved

80 per cent. of the budget and the responsibility for it to the NHS locally. Decisions—sometimes difficult decisions—need to be made to ensure that the best services are provided to patients and the public, and that taxpayers get best value for money.

Mr. Lindsay Hoyle (Chorley) (Lab): All hon. Members welcome the extra resources for the NHS and we must not forget that. However, we must also be careful when considering mergers, which may save money, of primary care trusts. In the case of Chorley and South Ribble, a leading primary care trust in best practice should not be forced into a merger with all of Lancashire because, although it may mean saving money, it will lead to a poorer service for the people who matter—those who use the service.

Ms Hewitt: The overriding issue is the best possible services for patients and users in each local community. I am sure that my hon. Friend agrees that it is also desirable to continue to reduce unnecessary administrative costs, especially in the light of our commitment in the manifesto on which he and I and were elected to take a further £250 million of administrative costs from unnecessary management overheads and put it into front-line services, where we all want it to be. That, too, is a way of continuing to get improved services for our constituents.

Steve Webb (Northavon) (LD): I have received a copy of a memo from a Lincolnshire PCT about how it plans to tackle its deficit. On in-patients, it states:

"Routine patients . . . must not be given a date for treatment earlier than their 20th week of waiting . . . in some areas this may mean planning cancellation of theatre lists."

On out-patients, it states:

"No routine patients are to be appointed unless they have been waiting at least 10 weeks . . . This will mean that in some instances we will have to plan in clinic cancellations."

Does not it take incredible mismanagement of the NHS to combine spending record sums of money with cuts across the board in front-line services?

Ms Hewitt: We are not only providing record sums of money to the NHS but treating more patients faster than ever. As the hon. Gentleman knows, by the end of 2008, we will abolish waiting times for most procedures. We will have reached an absolute maximum of 18 weeks from GP referral through diagnostic tests and out-patients to the operating theatre. That has never been achieved previously but it cannot all be done this year because there is more additional money to come into the service next year and the year after. Along with our reforms, that will enable us to fulfil the enormously ambitious 18-week target.

Rosie Cooper (West Lancashire) (Lab): In the light of the financial position of hospitals and the strategic health authority in the Cheshire and Merseyside area, does the Secretary of State know of any plans by the strategic health authority for a hospital reorganisation across Greater Merseyside, which would include Liverpool hospitals and Southport and Ormskirk in my constituency? What is her opinion of huge super-trusts that are multi-sited in a large area—in this case, across a city and two towns?

Ms Hewitt: I am afraid that I shall decline my hon. Friend's invitation to make an immediate comment. I am not aware of any such proposals. If she will permit me, I shall get more information about what, if anything, is being proposed. As part of the normal course of improving hospital and community services, health authorities and PCTs will want to continue to reconfigure services, especially to take advantage of medical technology and to take more care out of acute hospitals and bring it closer to home. However, I will examine the proposals in my hon. Friend's area and write to her.

Mr. Andrew Lansley (South Cambridgeshire) (Con): When we met at the previous Health Question Time in July, the Secretary of State disputed my suggestion that aggregate overspends on the NHS were nearly £800 million. She said that the net deficit was £140 million. Will she now admit that the overspend exceeded £700 million and that the net deficit is now double what she claimed? Why does not she know what is going on in the NHS? Why has she lost control of NHS costs?

Ms Hewitt: As I said several minutes ago, the audited accounts, which were not available at the time of our last encounter at Health questions, do indeed show that the overall deficit at the end of the last financial year was around £250 million, which is less than 0.5 percent. of total NHS resources. We are now about halfway through the current financial year, and trusts are beginning to forecast their end-of-year position. That has wrongly been described in many quarters as a new and much larger deficit, but it simply illustrates the fact that a number of trusts—a minority—have deficits from last year and financial recovery plans for this year that they must deliver on. The vast majority of the NHS across our country is improving services and living within its means, and that is what we expect all the NHS to do.

Mr. Lansley: The Secretary of State may not appreciate that, while Norfolk, Suffolk and Cambridgeshire strategic health authority's own internal audit showed that it was £43 million in debt, the external auditors found that it was £68 million in debt. I have no doubt that the figures that she is giving the House will be overtaken as a result of external auditing.

Two years ago, seven strategic health authorities were in overall deficit; last year, the figure was 12 out of 28. At the moment, 19 out of 28 are predicting deficits approaching a total of £1 billion. The Royal College of Nursing is predicting 3,000 job losses. I have a list here of 71 community hospitals that are specifically at risk as a result of these deficits. The Government cannot wash their hands of this matter, as it is they who have imposed the costs on the NHS that are resulting in the deficits. Will the Secretary of State tell the House what level of overall deficit she regards as acceptable for this financial year?

Ms Hewitt: We expect every NHS organisation to do what the majority of NHS organisations already do, which is to deliver improved patient services and live within their very substantially increased means. As the hon. Gentleman's question suggests, there are issues of

inadequate financial management in some NHS trusts. That position is unacceptable, and we are taking steps to strengthen it. A minority of NHS trusts were in deficit not only last year but for many years, and they have been bailed out by other trusts and other parts of the NHS that were in surplus. Generally, the trusts that were doing the bailing out were in the poorer parts of the country that have greater health needs. That is unacceptable, and the trusts that have been living beyond their means now need to deliver on the financial recovery plans that each of them agreed with its strategic health authority at the beginning of the year.

Velcade

5. **Mr. Paul Keetch** (Hereford) (LD): When she expects the National Institute for Health and Clinical Excellence to complete its assessment of Velcade. [20909]

The Minister of State, Department of Health (Jane Kennedy): The National Institute for Health and Clinical Excellence has not yet published a time scale for the completion of its appraisal of Velcade. The Department of Health is considering proposals from NICE to speed up significantly the appraisal process for important new drugs and health technologies.

Mr. Keetch: Is the Minister aware that, on 20 July, the Secretary of State announced that Velcade would be fast-tracked for NICE assessment? However, since then 1,000 more patients have been diagnosed with myeloma in this country. Is the Minister aware that Velcade has already been approved in Scotland and Wales? Consequently, Welsh patients being treated in Hereford county hospital automatically receive the drug, but Herefordshire patients being treated in the same hospital do not. I am delighted that Welsh patients are receiving it, but will the Minister ensure that it becomes available to my constituents as soon as possible so that they can be treated with it in their own hospital?

Jane Kennedy: I am grateful to the hon. Gentleman for drawing those specific details to my attention. I agree that the process for appraising important new drugs has become too lengthy. That point has been made not only by him but by a number of other hon. Members in the House. We are working with NICE on plans to speed up the process by which new drugs and health technologies are appraised, while ensuring that the appraisal process remains robust and credible. It is unacceptable for primary care trusts and other health bodies to use a lack of NICE guidance as an excuse for refusing to consider evidence in reaching decisions on whether to make new treatments available on the NHS.

Mr. Robert Flello (Stoke-on-Trent, South) (Lab): Can my right hon. Friend update the House on the progress of Herceptin, a drug that is very much on the mind of my constituents and those in the wider north Staffordshire area?

Jane Kennedy: Yes, the House will be aware that the South West Peninsula health authority recently announced that it would allow treatment, on the condition that the patient is supported by the patient's clinician and that the patient is willing to receive the drug. There is nothing stopping other health authorities prescribing Herceptin if they wish. Patients can be prescribed an unlicensed drug, but this should be the exception, not the rule, because the licensing process is there to protect patient safety. It is a very important process. We should take care not to undermine it.

David Tredinnick (Bosworth) (Con): Is the right hon. Lady aware that it is not just Velcade that the National Institute for Health and Clinical Excellence is being asked to assess? Has she looked at Christopher Smallwood's report, which recommends that NICE consider the cost-effectiveness of complementary and alternative medicine because he has established that there are various gaps in the provision—

Mr. Speaker: Order. The hon. Gentleman is out of luck today. Perhaps another time.

Mrs. Sharon Hodgson (Gateshead, East and Washington, West) (Lab): I understand that the initial role of NICE was to put a stop to the postcode lottery in health care. Will my right hon. Friend clarify the current role of NICE in that regard, bearing in mind the extended time that it takes to approve some drugs that have possible life-saving benefits? The postcode lottery is alive and well, as we have heard, because some health authorities and local trusts prescribe drugs such as Herceptin before they have been approved for purpose while others do not.

Jane Kennedy: Guidance from NICE has benefited thousands of patients and it is highly regarded internationally for its work on clinical and cost-effectiveness. Indeed, the World Health Organisation has commended its methodologies. While we have some of the fastest falling cancer death rates in Europe, I accept that there is more to do to improve the uptake of new medicines and treatments by the NHS, which is precisely why we are working with NICE to review the procedures.

Better Healthcare Closer to Home Project

6. **Tom Brake** (Carshalton and Wallington) (LD): If she will make a statement on the future of the "Better Healthcare Closer to Home" project in south-west London. [20910]

The Minister of State, Department of Health (Jane Kennedy): The intention is that the "Better Healthcare Closer to Home" project will modernise and improve local health services in Merton, Sutton and mid-Surrey, and the proposal is with my right hon. Friend the Secretary of State for decision. This is a complex decision, and it is taking time to review all the documentation and information that have been supplied.

Tom Brake: The Minister may be aware that under the "Better Healthcare Closer to Home" proposals, the primary care trusts were to run local care hospitals. Following Sir Nigel Crisp's announcement, clearly that is no longer the case. Can the Minister say who will run those local care hospitals—perhaps a private company,

a consortium of general practitioners or even the local authority? Can she also say what extra action she can take to reassure PCT employees who are—

Mr. Speaker: Order. One supplementary is fine for the Minister. That will do.

Jane Kennedy: We are talking about a £350 million investment in new and refurbished hospitals that will benefit the constituents of the hon. Member for Carshalton and Wallington (Tom Brake) with better, more modern health care services. His point about PCTs has already been answered by my right hon. Friend the Secretary of State. There is nothing I can say to add to it. He must listen to the answers he is given.

It is interesting to hear the hon. Gentleman make this point, because decentralisation and the offer of additional charges to be levied for higher quality non-clinical services, paid by those willing to pay them, are precisely the policies on which his party fought the last election.

Mr. Graham Stuart (Beverley and Holderness) (Con): Health care closer to home is hardly being delivered by cuts and closures of community hospitals up and down this country. My constituents in Hornsea and Withernsea are furious with this Government. What is the Minister going to do about reversing those cuts in beds and services at our community hospitals so that we can have care closer to home?

Jane Kennedy: It is a pleasure to debate with the hon. Gentleman exactly where and how to invest £350 million in new hospitals. When his party was in government, we would have been holding flag days to provide them.

NHS Finance

7. **Mr. Mark Hendrick** (Preston) (Lab/Co-op): What action her Department is taking to transfer resources from administration to front-line patient care. [20911]

The Minister of State, Department of Health (Jane Kennedy): The Department is committed to reducing unnecessary spending on administration and releasing the resources saved to front-line care. Those savings are part of planned efficiency savings of £6.5 billion by 2007–08, which are being recycled into local services.

Mr. Hendrick: My right hon. Friend will be aware that the Lancashire Teaching Hospitals NHS Trust, which includes the Royal Preston hospital in my constituency, has gone from two-star to three-star status, has now acquired foundation status and has hit nine out of nine of its key targets. Can she assure me that cuts in administration and moving resources to front-line services will make those services even better than they already are?

Jane Kennedy: I am grateful to my hon. Friend for pointing out the real success and improvements taking place in front-line services. I hope that I can give him the assurance that he seeks.

Mr. Peter Lilley (Hitchin and Harpenden) (Con): On the notional transfer of resources to front-line services, can the Minister tell us how many primary care trusts, as a result of the new centrally imposed GP contract, will increase payments to GPs in the coming year by between £20,000 and £25,000 each compared with last year, and how many consultants, as a result of the new consultant contract, will earn more than £20,000 more this year than last year? Was that the intention of either contract and is that the best use of money in the national health service?

Jane Kennedy: The right hon. Gentleman asks a detailed question, and with my mental arithmetic not being as good as it should be, I will get back to him on the detail. His general point, however, is important. We decided to agree those new contracts and pay the salaries that go with them precisely because we needed to retain really good people in the health service. That is what the whole process was about.

Mr. Brian Jenkins (Tamworth) (Lab): Will my right hon. Friend explain to me and the people of Staffordshire how the performance of probably the finest ambulance service in Europe, the Staffordshire ambulance service, will be improved by merging it with any other ambulance service? Will she guarantee that any merger will take place only if both partners are at the same level of performance?

Jane Kennedy: We want the very high quality of service from which my hon. Friend's constituents in Staffordshire benefit to be the experience of everyone in England and no changes will take place without the fullest possible consultation.

Tim Loughton (East Worthing and Shoreham) (Con): Last year's Secretary of State ordered a review of the Department's arm's length bodies. Since then, the number of staff in those bodies has fallen by just 2 per cent. It has cost £32 million to close some of those organisations and £4.7 million to establish some new ones, added to which the administrative costs of running her Department are now running at £296 million, and trust chief executives estimate that they spend at least a day and a half a week just providing information to the Government and strategic health authorities. Is it therefore right that the Government should demand 15 per cent. efficiency cuts by PCTs, leading to bigger deficits and shrinking front-line services, when she and her right hon. and hon. Friends have signally failed to get a grip on the running costs of her Department?

Jane Kennedy: Yes, it is right that we should seek efficiency savings. An organisation the size of NHS, which treats millions of patients a year, must have effective management as well as administrative and clerical staff to take away that burden. No one wants to see nurses and doctors wasting valuable time on training or being tied up with administration instead of being out on the wards delivering patient care. We need to stop using NHS managers and support staff as scapegoats, as Conservative Members often do. We need to back those who are working flat out to support the NHS.

Health Service (Private Sector Involvement)

8. **David Taylor** (North-West Leicestershire) (Lab/Co-op): If she will make a statement on the use of the private sector by the NHS. [20912]

The Secretary of State for Health (Ms Patricia Hewitt): The NHS has always made use of the private sector and will continue to do so to provide services when there are clear benefits for NHS patients through faster access, more choice, better services or better value for money for the taxpayer by helping to improve productivity and innovation All those services, however, will be absolutely consistent with the founding principle of the NHS: treatment based on clinical need and not on ability to pay.

David Taylor: In 1997, we promised to end the internal market and restore the NHS as a public service working co-operatively for patients, as opposed to a commercial business driven by profit and competition. Despite an historic level of investment, however, our county of Leicestershire now faces planned hospital cuts, ward closures and a loss of beds. Does the Secretary of State agree that her marketisation plans are going too far and too fast, and that we risk offering illusory patient choices that will widen inequalities in health and access to health care rather than narrowing them?

Ms Hewitt: I do not accept what my hon. Friend has said. As a result of our investment and reforms, we are already delivering substantially improved services to patients—to my hon. Friend's constituents, and to the public throughout the country. But my hon. Friend and I have been re-elected on the 2005 manifesto in which we promised to continue the programme of investment and reform, and to continue selective use of the independent and private sector where that would help us to secure better services for patients. That is what we are doing, and I hope that my hon. Friend will continue to support it.

Dr. Richard Taylor (Wyre Forest) (Ind): In the context of the use of the private sector in health care, why has the word "competition" just been changed to "contestability"?

Ms Hewitt: I think that "contestability" implies something considerably wider: the challenge that we need in the system so that where parts of the NHS are underperforming, patients will have a wider choice of providers who can help to raise even further the level of innovation that already exists in the NHS. I hope that the hon. Gentleman supports that. As a result of the changes that we have made—the granting of more freedom to foundation trusts, for instance, and the selective use of the private and independent sector—waiting lists are falling faster, and services are improving faster, than many people thought possible three or four years ago.

Judy Mallaber (Amber Valley) (Lab): My right hon. Friend's Department is currently market-testing purchasing and supply functions in the NHS, with the laudable aim of seeking additional savings for front-line care by expanding central purchasing. Will she assure me that no private sector bid will be accepted without a clear demonstration, to the satisfaction of Members of Parliament, that it can persuade more trusts and hospitals to purchase centrally, that the agency concerned is as efficient as NHS Logistics, which is currently expanding, and that all the safety issues have been taken fully into account?

Ms Hewitt: As my hon. Friend knows, we are considering how we can continue to improve the performance of NHS Logistics. No decision has been made, and no decision would be made to move to a different provider unless there was a compelling case for that—and there would, of course, be the usual consultation.

Abortions

9. **David T.C. Davies** (Monmouth) (Con): If she will issue revised guidance on the performance of abortions following publication of the chief medical officer's report on the British Pregnancy Advisory Service. [20914]

The Parliamentary Under-Secretary of State for Health (Caroline Flint): The Department of Health will be issuing best practice guidance for abortion services in spring 2006. The guidance will also take into account the issues raised by the chief medical officer's recommendations, including the legal position on abortion.

David T.C. Davies: The CMO's report makes it clear that the British Pregnancy Advisory Service was actively encouraging vulnerable women to undergo late-term abortions in Spain. Whatever the legality of that, will the Minister join me in expressing abhorrence of the fact that a publicly funded body is engaging in such a practice? Why do Islamic terrorist suspects and convicted criminals apparently have more human rights than unborn children?

Caroline Flint: Dearie dearie me. Never let the truth get in the way of aspersions. The fact is that, according to the evidence seen and legal advice, the BPAS did not break any law or give out a number knowing or believing that the Spanish clinic was performing illegal abortions. The Catalan health department found no evidence that the clinic had acted outside Spanish law. What the chief medical officer did identify is that we need to look more closely at, and review, the support and advice given to women who are seeking a late-term abortion, and that is what we are doing. We are meeting BPAS and others, and once the protocol has been established, the Department of Health and the Healthcare Commission will monitor it.

Chris McCafferty (Calder Valley) (Lab): I am sure that women throughout Britain will welcome the Minister's saying that BPAS provides legal abortions in this country. Does she agree, however, that a revision of protocols on the performance of abortion is not required, rather what is desperately needed instead is better training for BPAS staff, who counsel women on

the complexities of late abortions? Will she consider helping to fund such extra training, and will she look carefully at protocols to help staff in that regard?

Caroline Flint: I thank my hon. Friend for raising those issues, many of which are subject to the recommendations on training and support. We will work with BPAS and with primary care trusts to see how we can provide such support. I should make it clear for the record that 88 per cent. of abortions happen under 13 weeks, and 60 per cent. happen under 10 weeks. One reason why we have achieved that result is that we have made this a performance management subject for PCTs to deliver on.

Diabetes

10. **Mr. Desmond Swayne** (New Forest, West) (Con): What progress has been made to ensure that insulin pump therapy is available to diabetics in accordance with National Institute for Health and Clinical Excellence guidance No. 57. [20915]

The Minister of State, Department of Health (Jane Kennedy): The House will be reassured to learn that a new insulin pumps working group has been set up by the Department of Health and Diabetes UK, in order to develop a strategy to support local services in implementing national guidance on insulin pumps. The findings will be fed into the NICE review of the insulin pumps guidance, which is currently scheduled for February 2006.

Mr. Swayne: Only some of the 2 million diabetics in this country have access to this treatment, while many do not. Does that not illustrate the postcode lottery that persists in our NHS? What recourse does an individual patient have if there is clear evidence that their PCT is not implementing the NICE guidance?

Jane Kennedy: Once NICE has issued guidance, we expect the NHS to take full account of it. The NHS has three months from the date of publication of guidance on technology appraisals to provide funding, so that clinical decisions made by doctors involving NICE-recommended treatments or drugs can be funded. Where there is evidence, however, that PCTs are restricting access to NICE-recommended treatments solely on cost grounds, we look to the strategic health authorities to intervene.

Selby and York PCT

11. **Miss Anne McIntosh** (Vale of York) (Con): If she will make a statement on the financial situation of Selby and York primary care trust. [20916]

The Parliamentary Under-Secretary of State for Health (Mr. Liam Byrne): Selby and York primary care trust recorded a deficit of £6.6 million in 2004–05. It is working with its national health service partner organisations to put in place a financial recovery plan.

Miss McIntosh: Is the Minister aware that the projected deficit could reach £47 million by the financial year 2007–08, and is he concerned that for every two GPs there is an administrator looking after them? Is he aware of the implications of the working time directive, the GP contract and the new consultant contract on the budget, and what is he going to do to reduce the deficit?

Mr. Byrne: I am well aware of those points. Having spent a little time looking at the health economy in Selby and York this morning, I hope that the hon. Lady will join me in celebrating the results of the record investment that has gone into her constituency. Cancer mortality is down by 10 per cent. in York and by 22 per cent. in Selby, and mortality from circulatory disease is down by 25 per cent. in York and by 19 per cent. in Selby. Only 449 people now wait more than six months for treatment in her PCT, and we plan to boost investment yet again. She points out that the deficit will grow to north of £40 million if no further action is taken, and I am happy to say that plenty of action is proposed. She will know that the deficit is currently only just over 4 per cent. of the £225 million that the PCT gets each year, and that over the next two or three years—

Mr. Speaker: Order. Perhaps the Minister could write to the hon. Lady.

Mr. John Grogan (Selby) (Lab): Can my hon. Friend confirm that the Selby and York PCT will continue its plans to rebuild the Selby War Memorial hospital? In the light of earlier answers, will he also confirm that, when that hospital is rebuilt, the local primary care trust will continue to be able to choose to employ staff directly there and, if it so chooses, to employ district nurses, who serve Selby so well, without central interference?

Mr. Byrne: First, may I congratulate my hon. Friend on his championing of the Selby War Memorial hospital, for which he has been an effective advocate for some time? I have reviewed the position and can confirm that plans for the Selby War Memorial hospital will press ahead and will be published at the PCT board meeting in December. As my right hon. Friend the Secretary of State has said, it will quite rightly be a local decision as to whether NHS staff continue to be employed locally.

Hugh Bayley (City of York) (Lab): Surely the key issue is that services to patients should not be cut as a result of the deficit. Given that the NHS budget for our local area has doubled, can the Minister give an assurance that, if a prompt recovery plan is brought into effect, services to patients will not suffer?

Mr. Byrne: I am grateful to my hon. Friend for that question. We made a big promise to the British people in May: to transform our health services over the next few years from suffering the scandal of the year-and-a-half waiting lists that we inherited to one in which waiting lists are down to just 18 weeks. What is more, we shall put in the resources to deliver and to ensure that those are not just empty promises. One does not have to be a health economist, though my hon. Friend is one, to understand that investing another £80 million in the Selby and York PCT over the next few years amounts to eight times the deficit that is currently being recorded.

Acute Hospitals (Norfolk)

12. **Mr. Henry Bellingham** (North-West Norfolk) (Con): When she next expects to meet chairmen and chief executives of acute hospital trusts in Norfolk to discuss funding. [20917]

The Parliamentary Under-Secretary of State for Health (Mr. Liam Byrne): There are no immediate plans to meet the chairmen and chief executives of acute hospital trusts in Norfolk to discuss funding, but the Secretary of State and other Ministers have planned meetings with various local Members of Parliament to discuss the financial position and funding in the Norfolk, Suffolk and Cambridgeshire area.

Mr. Bellingham: Is the Minister aware that the Queen Elizabeth hospital in my constituency now faces a financial crisis, through no fault of its own, with a deficit of nearly £8 million? Is he also aware that the chairman and chief executive both resigned last July, that beds and wards have closed and that operations have been cancelled? Yet rather than trying to help, the Government are, to the dismay of the staff, imposing a fine of £1.5 million. Does not that amount to the politics and administration of the madhouse?

Mr. Byrne: It is true that the Queen Elizabeth hospital is running a deficit of about £2.2 million. As the hon. Gentleman will know, that amounts to about 2 per cent. of the trust budget. When we were elected in May, the British people asked us to write a big cheque, but not a blank cheque, for the NHS. Local trusts are required to ensure that they deliver financial balance. I am pleased to say, with reference to the recurring deficit at that particular hospital, that the trust will have the latitude to pay it back over a number of years. Frankly, it is far easier to do that in the light of the £231 million extra that is going into Norfolk PCTs over the next two or three years. As the hon. Gentleman will know, that is 23 times the level of the current deficit.

Mr. Richard Bacon (South Norfolk) (Con): The Norfolk and Norwich University hospital faces a one-off premium cost because, as acknowledged by the National Audit Office, it was one of the earliest private finance initiative hospitals. Will the Minister ensure that there is a one-off adjustment in the next financial settlement to take account of the special one-off costs that the hospital faces?

Mr. Byrne: When one looks at the finances for the strategic health authority in which the hon. Gentleman's constituency sits, one can see a proposed financial increase of the order of £700 million over the next two or three years. That is a very considerable advance, which will ensure that we can make enormous progress in delivering more staff, better drugs and shorter waiting times in the hon. Gentleman's constituency. As those plans are developed over the next few years, I hope that he will give them his full support.

Ophthalmic Services

13. **Mr. David Amess** (Southend, West) (Con): How much the Government spent on general ophthalmic services in England in 2004; and how much she estimates will be spent in 2005. [20918]

The Parliamentary Under-Secretary of State for Health (Caroline Flint): Provisional data for 2004–05 indicate that the total spend on general ophthalmic services in England was £340 million. Our initial provision for 2005–06 is £354 million, but as a demand-led service, the final spend will be determined by the number of NHS sight tests performed in general ophthalmic services in the year and the number of optical vouchers dispensed.

Mr. Amess: Will the Minister take this opportunity to congratulate the optical sector on its delivery of patient choice and high-quality services as part of its comprehensive provision of general ophthalmic services in the NHS? Will she ensure that the review that she is undertaking will do nothing to undermine any of the achievements that have been gained?

Caroline Flint: Yes.

Smoking

14. **Julie Morgan** (Cardiff, North) (Lab): If she will take steps to ban smoking in all enclosed public places and workplaces. [20919]

The Parliamentary Under-Secretary of State for Health (Caroline Flint): We have announced our decision to bring in a Bill in this Session that will end smoking in the vast majority of workplaces and enclosed public places. A major public consultation was carried out over the summer. That has been completed, and we are considering the many thousands of responses before finalising the Bill.

Julie Morgan: I thank my hon. Friend for that reply. Is she aware that the introduction of a total ban on smoking in workplaces and enclosed public places in Wales depends on the Bill's speedy introduction and passage? May I urge her to ensure that that happens as quickly as possible, and to be bold and think of the health of the nation? In that way, she can ensure that the public and employees in Wales will have the same protection from smoke as those in areas with devolved Administrations.

Caroline Flint: We are working on that, but I am very pleased to tell the House that, for the first time, the NHS is able to provide free smoking-cessation services to help people give up. The World Health Organisation has commended England for the work being done in respect of smoking, but there is still a lot more to do. I hope that the Bill will meet some of that challenge.

Schools White Paper

3.32 pm

The Secretary of State for Education and Skills (Ruth Kelly): With permission, Mr Speaker, I would like to make a statement about the reform of schools.

Every child matters, and children have only one chance of a good school education. Our ambition is for every child to get that chance and to develop their talents to the fullest extent. The White Paper that I am publishing today aims to make this aspiration a reality by building systematically on eight years of rising school standards and of sustained investment by this Government in the teaching profession and school reform. It places parents at the heart of education, extending parental choice and giving schools the freedom that they require to meet parental demand and pupil need in radically new and better ways.

Since 1997, the quality of teaching and leadership in our schools has been transformed. Primary schools now have a daily literacy hour and mathematics lesson. Classes are smaller, and there has been significant investment in the training of primary teachers and assistants. Secondary schools have benefited from a systematic upgrading in the number, quality and training of subject specialist teachers. Graduate applications for secondary school teaching have risen by 60 per cent. in just six years. There are 32,000 more teachers than in 1997, and the number of school support staff has doubled over the same period. Ofsted reports that the proportion of good or excellent teaching in primary schools has risen since 1997 from 45 per cent. to 74 per cent., and in secondary schools the figure has risen from 59 per cent. to 78 per cent. The proportion of badly taught lessons has halved.

Thanks to our literacy and numeracy strategies, around 96,000 more children a year start secondary school able to do well in basic maths, and 84,000 more do so in English. There have been big improvements at GCSE level too—*[Interruption.]*

Mr. Speaker: Order. The Secretary of State must be heard.—*[Interruption.]* Order. Many Back-Bench Members will want to be called to comment on the statement, but I will not be able to call so many if these interruptions continue.

Ruth Kelly: Thank you, Mr. Speaker. There have been big improvements at GCSE level too, with 63,000 more 16-year-olds achieving five or more good GCSE passes than in 1997. In addition, change has been greatest in many areas of historic underperformance. In inner London, 50 per cent. more young people gained five good grades this year than eight years ago.

Specialist schools consistently out-perform other schools and nearly 2,400 have now been established. Twenty-seven academies are already open, with more to come. There are now 413 non-selective schools where 70 per cent. or more pupils gain five good GCSEs; in 1997, there were just 83.

This is a record of success. However, challenges remain. For all the progress so far, too many 11-year-olds still leave primary school without mastering the three Rs; too many 16-year-olds are still not achieving good GCSEs or vocational qualifications and too few are staying in education post 16. Parents often feel disengaged and too many schools are coasting rather than improving. And those who fail to achieve too often come from the most disadvantaged backgrounds.

We are at an historic turning point. We have an education system that has overcome more than half a century of underperformance. With courage to reform further, by placing the parent and the pupil right at the heart of the system, we can now make our schools truly world class—a system that commands parental confidence and extends excellence to all.

There will be no return to the divisive 11-plus. There will be no return to the unfair assisted places scheme. There will be no return to privileging a few schools at the expense of the rest. Instead, teaching will be rigorously tailored for pupils of all aptitudes in schools unafraid to be distinctive, proud of their individual ethos yet proud, too, of the communities that they serve.

Our best schools and school leaders are models in all these respects. The challenge of change is for all schools to emulate the best, forging whatever partnerships they need to enhance their leadership and mission, while giving parents real power to drive change.

Today's White Paper sets out six key reform priorities to bring this about. First, to improve teaching and learning, we will provide significant new incentives for schools to tailor education to the needs of each and every child. There will be more use of small group and one-to-one tuition, particularly for those who fall behind. We will intensify our focus on literacy and numeracy, which are the keys to success in all subjects. There will be expanded opportunities for gifted and talented pupils. We will further encourage setting and grouping pupils by ability. We will continue to expand and improve provision for pupils with special educational needs, enabling far more special schools to join the successful specialist school movement and share their expertise widely with all local schools.

There will be a national delivery plan for the creation of the new specialised diplomas that I announced in February to transform educational choices for pupils beyond the age of 14. All of this will be underpinned by the Government's record investment in schools, including £335 million to be specifically earmarked for personalised learning within the new dedicated schools grant that I announced to the House last week. Work force reform and the increased use of information and communication technology will further transform the capacity of schools to meet the needs of each and every child.

Secondly, we will give all schools the independence that they need to drive radical improvements in standards and the flexibility to create real centres of excellence. Building on our successful specialist school and academies programmes, we will extend academy-style freedoms and opportunities to thousands of schools through new trust schools. These self-governing schools will be funded by local authorities but will partner with and be supported by not-for-profit trusts—established, for example, by successful educational foundations, leading schools and universities, parents' groups and voluntary organisations. These schools will bring extra dynamism to education. All schools will be eligible to be trust schools, alongside our planned 200 academies.

I am pleased to announce that a range of outstanding organisations, including Microsoft, the Open university, the Mercers Company and Thomas Telford school, the United Learning trust, the Church of England, KPMG and the Peabody trust have all agreed to work with us to develop the trust model, bringing to it extensive educational and school management experience, together with strong links to local communities.

Thirdly, we will improve the choice of schools for parents by giving less affluent parents the means to make choice effective, and by putting in place much more rapid mechanisms for turning round and replacing failing schools. A choice between weak or failing schools is no choice at all. Schools that are still failing after a year will be closed, federated with another more successful school or replaced with an academy or another new provider. Our new inspection regime will focus on schools that are coasting as well as on those that are failing. We will raise the bar on underperformance across the system. In addition, we will improve the advice for parents on the options available. We will improve transport to school, particularly for the most deprived pupils where the cost of transport can be a barrier; and we will promote admission systems that extend access, and ensure fair admissions for all new schools.

The role of the parent does not stop with the choice of school. Education works best where schools and parents work together, with each recognising both their rights and their responsibilities. So fourthly, we will enable all parents to contribute much more fully throughout a child's school career, with better support, information and advice, especially at key transition points. We will place a new duty on governing bodies to have regard to parents' views. We will improve the quality and regularity of the dialogue between parents and schools, including reports at least once a term in place of the existing minimum of once a year. We will give parents a new right of complaint to Ofsted, if local procedures have been exhausted.

Fifthly, teachers and heads have asked us for better support to tackle disruption and ill-discipline, so we will implement Sir Alan Steer's recommendations, giving teachers a clear statutory right to discipline and giving schools an unambiguous power to set and enforce their own discipline codes. Parents will take their responsibilities seriously or face sanctions where they do not, including fixed penalty notices for parents who do not properly supervise pupils who are excluded from school. Pupils excluded for more than five days—not 15 days as now—will be expected to attend supervised education units.

Sixthly, we will underpin our reforms with a new and crucial role for local authorities. They will become the commissioner of education, the champion of the pupil and parent and the local strategic leader. They will tackle coasting and failing schools. They will oversee competitions to deliver new schools, and they will work with the office of the schools commissioner that I will create to promote new trust schools and academies in response to parental demand. Many local authorities are already pioneering that approach. We now need all our local authorities to do so.

These reforms mark a watershed in the development of our national education system. All our young people deserve the best; we intend them to receive it, so that social mobility once again accelerates as the engine of a fairer and more prosperous society—every pupil receiving a tailored education, every parent with real choice and every school with the freedom to deliver.

I commend the White Paper to the House.

Hon. Members: Hear, hear.

Mr. David Cameron (Witney) (Con): I thank the Secretary of State for her statement—on the Conservative Benches, I think that feeling goes fairly wide. I am also grateful for an early copy of the White Paper, especially as I understand that 5,000 copies were pulped last night as the Cabinet could not actually agree on the policy.

Our approach to the Secretary of State's proposals will be straightforward: wherever the Government promote rigour, encourage discipline, give schools more autonomy and parents more choice, we will support them. And, as we read that the Chancellor, the Deputy Prime Minister and many other Labour Members are against her, she will need all the support that she can get, but there is one question that jumps out of the White Paper. Eight years ago, the Government abolished grant-maintained schools. Let us remember that those were state schools, free of local authority control and able to set their own culture and ethos. Does that sound familiar? So why has it taken eight years to get right back to where they started?

Let me take each of the key issues in turn. First, on school autonomy, all the evidence shows that standards rise when schools are free to innovate, free to diversify, and free to specialise. The question for the Government is this: will today's proposals lead to real autonomy? Real autonomy means schools controlling their own finances. So will the Secretary of State confirm that, under her plans, funding will still go through local education authorities and not directly to schools? Real autonomy means that head teachers are in control, not tied up in centralised rules, regulations and bureaucracy. So will she take action to cut paperwork, including the current self-evaluation reports that run to hundreds of pages and drive head teachers up the wall?

What guarantee can the Secretary of State give that the White Paper will not add to bureaucracy? Can she explain the point of the new schools commissioner? Can she tell us whether her new parents' councils will replace governing bodies or whether they will be set up in addition to them? If Government want real autonomy—they will have our support if they deliver it—can she confirm that those independent schools in the state sector will own their buildings and land, employ their own staff and have the freedom to expand and the ability to opt out of national agreements?

The White Paper shows a complete muddle about the role of local education authorities. Can the Secretary of State tell us how much independence those schools will really have? Can she explain why, on page 28—hon. Members will be interested in this—it says:

"Trust schools will be funded in exactly the same way as other local schools. They will be subject to the Code of Practice on admissions and to all of the accountability mechanisms that apply to state schools."

[Mr. David Cameron]

So can she explain what these new freedoms are? That gives every impression of having been written by a deeply divided committee—I think that we can call it the Cabinet. *[Interruption.]*

We support the proposal to get independent providers into the state sector, but we have heard that so many times from the Government: we heard it in 1998, 2002 and earlier this year. Can the Secretary of State confirm that, so far, just one—*[Interruption.]*

Mr. Speaker: Order. There is far too much noise. Mr. Cawsey, you are usually a very quiet Member of Parliament and I do not like to tell you off, but you are far too near the Speaker's Chair to shout or to be shouting.

Mr. Cameron: Thank you, Mr. Speaker.

Can the Secretary of State confirm that, so far, only one additional independent school has come into the state sector? The White Paper talks of a new role for LEAs. Can she tell us what will be done to stop them preventing new providers from coming into the sector? If they are to replace school organisation committees—another set of quangos that Labour set up and is now abolishing—will not the problem get even worse?

The next point is the expansion of good schools. Education Ministers have repeatedly given us assurances from the Dispatch Box that the surplus places rule did not exist. Yesterday, the Prime Minister confirmed that it did and that it would be scrapped. Why has it taken so long for the Government to identify and get rid of the roadblocks to giving us more good school places? Should we not conclude that we have had surplus Ministers, as well as surplus places? [HON. MEMBERS: "More!"] There is plenty more.

The White Paper praises city academies. Conservative Members back academies because they are just like the city technology colleges that we set up in the first place. Can the Secretary of State tell us how she will avoid the real danger that they end up replicating failed comprehensives in smart new buildings? Will she give them real freedoms, including over admissions? Will business backers be able to cut waste and open these buildings to the whole community so that they can be engines of regeneration, not just islands of investment?

The next issue is a difficult one: admissions. We all want to move from the situation in which we have selection by house price to one of genuine diversity in schools with parents having choice. However, the Government have created total confusion over this issue. One briefing has suggested that there will be compulsory banding and then the bussing of children across LEAs. That would represent top-down social engineering beyond even the wildest dreams of the Chancellor of the Exchequer. Will the Secretary of State rule out today bussing that is designed to meet some arbitrary central admissions quota?

The White Paper argues that streaming and setting should be the norm in all schools—we agree. In its 1997 manifesto, Labour said the same thing. What has it been doing for the past eight years? Why has it taken three manifestos, nine Acts of Parliament, five Green Papers, four White Papers, two strategy documents and four Education Secretaries before anything has been done about that? If the Government are serious about standards, is it not time to reform the Qualifications and Curriculum Authority, to insist on rigour in exam standards and to give heads the final say on discipline and exclusions? Will she confirm that the White Paper shows once again that the Government are keeping appeals panels? Why do they not scrap them?

Yesterday the Prime Minister said that this was a pivotal moment. Today he says that it is a historic turning point. Tomorrow I expect that we will have the hand of history on his shoulder again. In the past eight years, we have had lines in the sand, final moments and final chances, but this has been pivotal for parents, teachers and children all along.

When it comes to reforming education, is it not the case that the Chancellor will not have it, the Cabinet does not like it, the Back Benchers will not wear it, the Deputy Prime Minister cannot bear it and the teaching unions and Labour LEAs will try to stop it? Conservative Members fear that only the worst parts of the White Paper will be implemented and the best will be forgotten. Is it not the case that the only way in which the best ideas in the White Paper will have a chance of being introduced will be if we have a Government who believe heart, head and soul in rigour, choice and autonomy? Is not that the message of today's statement?

Ruth Kelly: I am truly delighted that the hon. Gentleman has come here today to welcome the proposals in the White Paper. It might be only his fourth appearance at the Dispatch Box, but I think that it is a sign of his increasing political maturity that when there are well-thought-out proposals that will make a difference to our school system, he can stand there and welcome them, no matter what that might mean for his own political ambitions, or anything else relating to his side of the House. I hope that the support that he has offered us today will mean that his party—whoever leads it—will support the legislation that we will bring forward to enact the proposals that I have set out today. I look forward to his and his colleagues' support in the Division Lobby.

I was glad that the hon. Gentleman did not challenge the fact that there have been significant improvements in our school system over the past eight years and the fact that we have transformed the situation that we inherited in 1997. However, he should recognise that that has been achieved not only through reform—although reform there has been with the literacy hour, the numeracy hour and the other reforms that I mentioned—but because of the investment that we have been putting in. By 2007–08, Labour will have doubled per pupil spending since 1997. He might not have sat in the House for very long, but during that short time, he has voted against every single opportunity to put investment back into our schools where it is needed. He has also voted against innovation in our schools, modernising school governance and laying the foundation for work force remodelling. I am thus pleased to hear that he is changing his party's political tune. However, today was his first big test, so I had rather hoped that he would have done his homework just a little better.

The hon. Gentleman thinks that our new trust-school system will represent the re-creation of grant-maintained schools. There could be nothing more different from the

new model that we are proposing for all schools than the failed grant-maintained system of the past. There are some similarities.—*[Interruption.]* Let us see what they are. Grant-maintained schools had classrooms, teachers and books. I have to admit that there are some similarities, but that is where they end. Grant-maintained schools could set whatever admissions arrangements they wanted, they could select the best pupils and were encouraged to opt out of the local family of schools. Indeed, they were bribed to do so, because they were given unfair funding that discriminated against other schools. They operated on the basis of unfair admissions that privileged elite schools by cream-skimming pupils from our state schools. Grant-maintained schools received the only capital funding on offer in the system. Anyone who remembers those days will recall the two-tier system that emerged. Indeed, grant-maintained schools defined themselves through opposition to other schools in the system. They did the best for their children, but not for others.

We are not proposing the return of the grant-maintained school, because our schools rightly insist on fair funding, fair admissions and fair accountability. We want autonomous schools that drive improvement for their own pupils and others by sharing that expertise and success across the school system, as we have set out in the schools White Paper. The hon. Gentleman asked what school autonomy means in practice. Schools will have the opportunity to develop their own mission, purpose and ethos, and to work with an external partner if they think that that is in the interests of parents and pupils. They will be able to manage their own assets and employ their own staff. They will be able to control the funding distributed to them by local authorities and ring-fenced through the dedicated school grant. To argue that they should be free of accountability and should not have to participate in the self-evaluation scheme that head teachers themselves have requested from us is absurd. The way to drive improvement through the system is for one head teacher to learn what works from another so that they can apply it in their school to improve standards for their own pupils and others.

The hon. Gentleman argued for autonomy on admissions but, once again, his proposals are not thought through. I read an article that he wrote in the *Evening Standard* last week in which he said that over time all schools should be able to determine their own admissions procedures and, if they wanted to do so, select pupils.

Mr. Dennis Skinner (Bolsover) (Lab): Like Eton?

Ruth Kelly: Absolutely.

The hon. Gentleman argued that some schools will want to select by academic ability. He pretends that that does not mean the return of the grammar school, and that if some schools want to select by ability, all other schools can have their own individual ethos. In fact, when that system operates on the ground 80 per cent. of children are left in the equivalent of secondary moderns with no aspirations for attainment, which does not drive improvement across the system. I do not want to return to that, and I hope that when he thinks through the consequences of his policy he will draw back from it. His only criticism of the academies programme, as far as I could see, was that academies in our most disadvantaged areas are not allowed to select. His policy would promote the well-being of a few, not the many, but the policies in the White Paper will drive improvement across our school system by delivering the freedoms and accountabilities that those schools need to develop in the way that works best for them and their pupils.

The hon. Gentleman asked about bussing. I do not propose to force any child on to a bus, but we have to raise the aspirations of children in our most disadvantaged areas. We have a specialist school system. If a specialist school offers sport, music or another specialism of which children wish to take advantage, we should not prevent them from going to that school because of the cost of transport. We recommend in the White Paper that children from a low-income background be given help with the costs of transport.

The hon. Gentleman asked about discipline. The last time a right to discipline was recommended was in 1989, but the Government of the day rejected it. We will implement such a right, and we will implement all the other recommendations in the report from Sir Alan Steer's panel. Interestingly, that panel did not consider that the abolition of appeals panels would be in schools' interests. It knew what happens when appeals panels are abolished—difficult cases end up in the courts. We have seen an example of that only recently. Head teachers know that that will not be in their own best interests.

The hon. Gentleman questions the role that local authorities have to play. We have articulated in the White Paper a clear, if radically reformed, new role for local authorities. They will be at the heart of our proposals for delivering the school system of the future. Yes, they will replace the school organisation committee and there will be a presumption that, where good schools want to expand, they should be able to. But to imagine that one could run a school system from Whitehall that caters not just for 500 grant-maintained schools, but for 23,000 schools is absurd. How would someone in Whitehall know what was wanted for schools in Bolton, what parents wanted delivered on the ground for schools in my constituency, what capital investment was needed, or what teachers were needed? It is ridiculous to suggest that that could be the case. Local authorities will have a new if radically reformed role under our schools White Paper.

Although the hon. Gentleman seeks to appear as the modern face of the Conservative party, what we see are policies which, at the first hint of scrutiny, start to unravel—policies that serve the few, rather than the many. Ours are policies that will drive up standards right across our school system and particularly serve the needs of the most disadvantaged at the heart of our communities.

Mr. Edward Davey (Kingston and Surbiton) (LD): I thank the Secretary of State for her statement and for her answer to the hon. Member for Witney (Mr. Cameron). It was clear from that answer and from the reaction from those on the Conservative Benches that she has been thinking what they have been thinking. I doubt that the hon. Gentleman will copy his Witney predecessor and join Labour, but the Tory Opposition are being talked out of a job, whether or not he becomes leader.

[Mr. Edward Davey]

The fundamental problem with the plan is that it is about structures, not standards. We need to focus on what is happening in the classroom, not in the boardroom. On school freedom, the Minister has a case. The Government will have our support if they have really turned their back on top-down centrist control of English schools. We embrace freedom from Whitehall diktat, including diversity and new providers, but can the Minister confirm that her Whitehall Department will keep complete control of schools funding?

Is it not central Government, rather than local government, who have been stifling variety? Is it not the Treasury rules and her own Department that prevent communities building the schools they need? Can she tell us what powers the Chancellor has given up and what powers she is giving up? For without the Chancellor's signature on the White Paper, can we really expect irreversible change?

At first glance, it seems that today is not the end of local democratic involvement with education, contrary to the Prime Minister's weekend spin. Why, then, is the Secretary of State still seeking to hand over admissions policy to some schools, when it is the one policy that parents need their local community to keep? Does she not realise that handing over admissions risks a free-for-all between schools, producing a shambles that will confuse parents, not help them? If the Minister wants to see admission reform, why does she not free local authorities and their schools to collaborate—for instance, on banding admissions?

We want a variety of social markets in education, not the right hon. Lady's free market. In her model, who will speak up for the special needs child? Who will be the advocate for the looked-after child? Who will guarantee fairness and equality of opportunity? Her answer seems to be parent power. That may work in some places, but what happens where parents do not get involved, will not get involved or cannot get involved?

The Secretary of State talks of expanding schools and we accept that that can work, especially with school federations, but can she confirm that a school will have no control over its size even if existing parents value a small school ethos? What is to stop schools being forced to double in size? When it comes to choice, my party is pro-choice—meaningful choice that becomes possible by grasping the new opportunity of falling secondary school numbers. Can she confirm that Government figures show nearly 500,000 fewer children in secondary schools within 10 years? Can she confirm that even in London, where too many parents have not had real choice, the decline in pupil numbers equals 40 empty schools? Is that not the spare capacity that we need, both for meaningful parental choice and for raising quality and standards?

The Prime Minister has talked about independent schools. The future years of falling pupil numbers are the best time to copy the best bits of private schools and to introduce smaller classes and smaller schools, when we might have the quality local schools that every parent wants.

The Government's ideas will have almost no impact on one of the most scandalous statistics in British education today—25 per cent. of 17-year-olds are not in full-time education or training. Radical reform would free up the curriculum for 14 to 19-year-olds, and revisiting the Tomlinson plans for diplomas would stretch our brightest children and re-engage the disaffected.

Perhaps the most disappointing thing is the lack of new ideas for primary education. Does the Secretary of State recognise that the best way to improve secondary education is to ensure that more primary school leavers can read, write and add up? The real barrier to higher standards is that nearly 50 per cent. of 11-year-olds still cannot master all three Rs. The Secretary of State's focus on structures not standards will not change anything in any classroom anywhere in the country. The priority should be children's literacy, not the Prime Minister's legacy.

Our schools need reform, because the status quo is far from perfect, and we will champion that cause. In not using the opportunity of falling school rolls, Labour is designing policy for past educational problems rather than future challenges. The Liberal Democrats want schools to be free from Whitehall. Labour wants to retain—

Mr. Speaker: Order. What the Liberal Democrats want has nothing to do with the statement. [HON. MEMBERS: "Hear, hear!"] Order. The hon. Gentleman is questioning the right hon. Lady's statement, and he will ask questions about the statement. By the way, I am getting a bit weary—the replies to the statement should be briefer, because Back Benchers have not been called and it is already 10 past four.

Mr. Davey: Why is Labour retaining central controls and keeping hold of the purse strings? Why is it not providing real choice for parents, and why is it not using the fall in school numbers to drive standards in all schools? Labour's structural approach will change little.

Ruth Kelly: In some senses, Mr. Speaker, it is hard to reply. The hon. Gentleman has made a list of eclectic points that do not address the kind of public service reform that we should deliver in our school system or how we should deliver excellence and equity for all.

The hon. Gentleman has, however, made a number of specific points, and I shall deal with them. He is right that we must concentrate on the three Rs. Surely he does not dispute the facts that we have increased the number of pupils gaining the right outcomes in reading, writing and arithmetic from 43 per cent. to 57 per cent. over the past eight years, which is a huge improvement. We are meeting our targets for English and maths, with almost four out of five children achieving the required level. He is also right that we must do more, and the White Paper sets aside sums to deliver further results in primary schools and, indeed, in secondary schools.

The transition years in secondary schools are particularly important. Where children fall behind in English and maths, we should enable them to attend specific catch-up classes to help sort out the basics, which will allow them to access the rest of the curriculum and make the most of the opportunities in secondary schools. The White Paper deals with how teaching and learning should be delivered and how we

can create a more personalised, tailored system, so that everybody not only gets the basics right, but takes advantage of extra support and opportunities for the gifted and talented.

The hon. Gentleman is right to say that falling school rolls raise several issues for the future. We will deal with those issues through the building schools for the future programme, which allows individual local authorities to take advantage of the capital investment on offer, to think out their educational vision for an area and to build schools in the right places that meet pupil need and parent demand. That programme is probably the biggest lever over falling rolls that any Government have ever used.

The hon. Gentleman is right to point out that some schools will not want to expand the number of pupils that they take because they pride themselves on the small-school ethos that they have developed for their pupils. We will not force any school to expand if it does not want to, but a successful school that wants to expand faces obstacles because of the interests represented on the school organisation committees. If the local authority assumes the role of strategic leader of the system, it can make better-informed decisions about what is right for an area.

The hon. Gentleman is right to point out that there are difficulties in getting parents involved, particularly those from the most disadvantaged backgrounds.

The hon. Gentleman mentioned special needs and looked-after children. We deal with those two groups in detail in the White Paper. In the new admissions system, looked-after children will have priority in being considered for and getting into the best schools. In terms of special educational needs, we want to ensure the continuation of the situation whereby children with statements get priority and an automatic right of entry to those schools.

We want schools that are free to follow their curriculum and to develop their individual ethos but also free to work in collaboration with other schools to raise standards for everyone in their local area. That is what the White Paper is about.

Mr. Bob Blizzard (Waveney) (Lab): Before coming into this place in 1997, I worked in one of the previous Government's grant-maintained schools. There is no doubt that the autonomy possessed by that school enabled it to achieve more, but it also enjoyed privileged funding, to the disadvantage of other schools, and benefited from an admissions policy that was not equitable across the area. Will my right hon. Friend assure the House that her proposals will ensure fair funding and fair admissions policies for all schools?

Ruth Kelly: I thank my hon. Friend for those remarks. He is absolutely right that the purpose of these reforms is to deliver higher standards for everybody, but particularly for those who have not been served well by the current system. That means that there must be a framework of fair funding, fair accountability and fair admissions.

Sir Patrick Cormack (South Staffordshire) (Con): I congratulate my right hon. Friend on her splendid statement. Does she agree that she is proposing not to revive grant-maintained schools but to go back to something far better—the direct-grant school?

Ruth Kelly: I have a lot of time for the hon. Gentleman, but I do not think that he quite understands the relationship of schools with the local authority under these proposals. We are proposing a system in which schools have the freedom and flexibility to tailor their curriculum and starting structures to develop the ethos that they need to raise standards for their pupils, at the same time working within a local framework whereby they spread success and work with each other as they drive up improvements across a system in which the local authority remains as the allocator of schools and the guarantor of good school standards.

Mr. Jim Cunningham (Coventry, South) (Lab): May I ask my right hon. Friend who will fix and decide teachers' pay?

Ruth Kelly: My hon. Friend raises a very important point. Teachers' pay will be determined by the School Teachers Review Body, as it is at the moment. Support staff will be employed by the school and their pay will be determined on the same basis as for self-governing schools at the moment.

There is always a power to innovate, and schools can apply directly to the Department in that respect. For example, they may want to come to us with proposals for different models of term times or lengths of school day. We would consider those on their merits and decide whether to approve them.

Sammy Wilson (East Antrim) (DUP): I welcome what the Prime Minister described yesterday as a pivotal moment, and what some may describe as an about-turn. The Minister has promised to give extended opportunities to talented pupils, to encourage setting and grouping by ability, and to create genuine centres of excellence. I hope that those include centres of academic excellence. Why has not she gone the whole hog and simply introduced academic selection, which in Northern Ireland has served pupils well and has raised standards higher than in any other region of the United Kingdom? Is she bound by political ideology and Cabinet in-fighting? Will she regret in a year's time that she has not gone further?

Ruth Kelly: No, I will not. I never want to see a return to selection. I want a state school system that can promote excellence for each and every one of its pupils; that can set by ability where that is required, particularly in core subjects but also in other areas; that provides special help for those who are falling behind and special opportunities for those who are gifted and talented; and that acts to provide specialist centres of excellence that work to drive up standards in that specialism in other schools. That is not what happens in a grammar school system—it is what happens in a specialist comprehensive school system, and it is what I want for all our schools.

Jeremy Corbyn (Islington, North) (Lab): Is the Secretary of State aware that, in inner-city communities,

[Jeremy Corbyn]

where comprehensive schools have improved and taken many local children on to their rolls, the whole community benefits, crime falls and there is a better sense of community cohesion? How is my constituency helped at all by the proposals, which, I suspect, will mean many children travelling all over London, with all the problems that that entails and the attendant loss of community?

Ruth Kelly: I agree with my hon. Friend that we need good local schools. The point of the proposals is to ensure that every state school has the opportunities that are currently reserved for a few. If a school needs extra freedom and flexibility to tailor its curriculum, hold extra classes, develop a specialist mission and ethos, it should have the ability to do that. That is how one develops strong schools that are rooted in the community, work with other schools and fulfil the needs of pupils and parents.

Mr. John Maples (Stratford-on-Avon) (Con): When the right hon. Lady's predecessor announced last summer the policy of allowing successful and popular schools to expand, it became clear a couple of days later that that did not apply to grammar schools, which we have in south Warwickshire—like them or not, they are an essential part of the provision. Will her policy allow the inclusion of grammar schools in the ability of successful schools to expand freely? If not, why will the policy apply to specialist schools in my constituency, which will be able to select people on their aptitude for mathematics, modern languages, technology, music and sport, but not grammar schools, which select on academic ability?

Ruth Kelly: Grammar schools will not be able to expand and I do not want selection to be expanded in the system. However, if a head teacher of a grammar school who is good at raising standards and promoting good educational outcomes wants to work in a school that is not a grammar school, we should allow an opportunity for that leadership to develop. In some parts of the country, grammar schools choose to federate with other schools and ensure that all children have access to the facilities in the grammar schools. The more we can break down such divides, the better.

Mr. Gordon Marsden (Blackpool, South) (Lab): Specialist schools, which my right hon. Friend rightly celebrates, work best when they reach out and collaborate with the local community, as happens in Blackpool. However, does she agree that, since Government policy across the board for matters that affect children is collaboration in education, it is key for my constituents that the policy is maintained under the White Paper's proposals? How will co-operation and collaboration on transience, special educational needs and staying-on rates be implemented or continued? How will they be guaranteed and enforced?

Ruth Kelly: My hon. Friend is right to draw attention to those points of detail. We state in the White Paper that schools should take account of the children and young person's plan when they propose their school improvement plans. We propose that local authorities, with local learning and skills councils, should be responsible for delivering the 14 to 19 entitlement for specialised diplomas throughout the local area, and for publishing a prospectus for the area to ensure that that happens. We also suggest that they should be able to propose special needs units at schools when they believe that that is appropriate.

Mr. Alan Beith (Berwick-upon-Tweed) (LD): Will parents and local communities lose their current right of appeal against a local authority decision to close a village school? If they are faced with that, would taking trust status for the school allow it to continue despite the local authority's wishes?

Ruth Kelly: No, I can reassure the right hon. Gentleman about that. The White Paper does not propose reducing local authorities' powers to close schools. Indeed, in some respects, they are enhanced. A school will not be able to take on trust status when it is under threat of closure.

Dr. Ian Gibson (Norwich, North) (Lab): I commend my right hon. Friend's passion for education, which clearly comes through. What evidence has she taken to ascertain that freeing up schools will lead to the achievement of her aims, which many of us share? After all, in the national health service, hospitals were freed up, through foundation status and so on, but that did not lead to the results that we wanted. It was said that all hospitals would become free through foundation trusts, but that has not happened. Could not the same thing happen to education?

Ruth Kelly: My hon. Friend makes an interesting point. We have learned from what has worked on the ground. It would be foolhardy to pretend that we dreamt up the ideas in isolation from our observation of what happens in our best local authority schools. Let us consider Knowsley. It has received an outstanding grade from Ofsted for the way it works to draw in external partners, provides 14 to 19 vocational opportunities for its pupils, and for its schools choosing to work together and with the local further education college to ensure that opportunities are available for everybody. We know that that works. We also know that, when a school develops a specialism or, as in the case of a city academy, develops a strong ethos in a short time, standards can improve. Such freedom and flexibility should not be reserved for the few but be available for all our state schools.

Mrs. Nadine Dorries (Mid-Bedfordshire) (Con): Where does this leave the programme of inclusion? Given the closure of so many special schools over the past eight years, and the new autonomy to be given to state schools, where will the measures leave children with special educational needs?

Ruth Kelly: I would ask the hon. Lady to look at the facts. The proportion of children with statements in special schools has gone up, compared with eight years ago. That is a clear matter of fact. In the White Paper, we are saying to special schools that we want them to share in the mainstream specialist schools programme.

and that if they want to develop a speciality, either in special needs or in the mainstream curriculum area, they should have the opportunity to do so. If they want to work more closely with a mainstream school, we should also make that happen. This is about providing opportunities for children with special needs as well as for everyone else.

Laura Moffatt (Crawley) (Lab): My right hon. Friend recently visited one of our three brand-new secondary schools in Crawley. The school, which used to be unpopular with parents and had falling rolls, is now a sports excellence college and people are fighting to get their children in there. It also has an excellent record of working with pupils who have been excluded or who are having trouble getting into a school. How will the White Paper help it to build on its excellent relationship with the pupil referral units, to allow it to continue that fantastic work?

Ruth Kelly: I am glad that my hon. Friend brought that school to my attention. I was very impressed with what I saw there, and I hope that she will send my best wishes to all its staff and pupils. She is right to say that it has a curriculum for excellence in sport, and that it is excellent at working with excluded pupils through the pupil referral units. The White Paper's approach to hard-to-place pupils is that schools should work together in collaboration to plan the necessary provision for those difficult pupils. Special learning support units or specialist off-site provision might be needed, but schools should have those pupils on their rolls, where appropriate—unless they are excluded—so that there is a clear incentive to drive up standards in the pupil referral units as well as in the schools.

Sir John Butterfill (Bournemouth, West) (Con): I have great admiration for the right hon. Lady's intellect, but I am puzzled by her somewhat schizophrenic approach to admissions policy. Could she make it somewhat clearer for simple souls like myself? Is she also aware that a large majority of the parents polled in Bournemouth were in favour of the retention of Bournemouth's excellent grammar schools, which were, at one time, grant maintained? Can she explain why she is so opposed to their continuation in that former role?

Ruth Kelly: The answer is quite simple: I want parents to be able to choose schools. I do not want schools to be able to choose parents, which is what happens under a grammar school system. The schools cream off the children who are able to do well and to pass the 11-plus, and the others are left behind. I want every school to be a centre of excellence so that parents can choose between them. If that means raising parents' aspirations for the children in our most disadvantaged communities and getting them to think more broadly about which school might match their children's talents, I want them to do that. If there are financial barriers to their getting into a school that is, for example, slightly further away than the one at the end of their street, we should help them to overcome those barriers. This is about widening choice in the system, and about making that choice work for the people who want it and need it most.

Kali Mountford (Colne Valley) (Lab): In my constituency, the very best schools have done extremely well under this Government. However, it is the schools that traditionally had the poorer performances that have done best of all, by increasing standards at a faster rate, taking on specialist school status and working collaboratively in clusters. Will my right hon. Friend tell the House how this already very good performance will be enhanced by her proposals? Will she also ensure that standards continue to rise, and that no school is left behind or feels that it does not have a place in the new system?

Ruth Kelly: My hon. Friend is absolutely right to draw attention to the fact not only that standards have been rising across all schools, but that those in schools in the most disadvantaged areas have been catching up with the rest. Our proposals will try to bring in an external partner—for those schools that want one, not where the school or the parents do not want one—to the schools that need that most. If a school in a disadvantaged area has improved rapidly, but should be doing even better for the children, it should have the first bite of the cherry. Such schools should be the first to look for an external partner, if they want to go down that road and if they think they could benefit from being linked with a trust.

The schools commissioner, who will be based in the Department, will work with local authorities to set up those trusts, but also to match-make, so that they go to the schools that need them most and so that those trusts do not cherry-pick the best schools and the best pupils, but really work for the most disadvantaged pupils.

Paul Holmes (Chesterfield) (LD): Last year, the Education and Skills Committee published its report on school admissions. In 100 pages, it documented the failures of the admissions system under which a largely voluntary code of practice and largely powerless and weak LEAs were letting down children with special educational needs, those receiving free school meals and children in care. Can the Secretary of State explain how, in her brave new world of completely independent competing schools and completely powerless LEAs, those children will do anything but get an even worse deal?

Ruth Kelly: They will get a better deal and—to take an example—we are just about to lay the regulations on looked-after children, which will mean that looked-after children are top of the list of the admissions criteria for schools. So all schools will have to look at those children first—*[Interruption.]* Yes. By 2007, hard-to-place pupils will also have to get priority in the queue, as it were.

If schools need to deal with those pupils by having extra off-site provision, because that is the way those children will benefit most, that is the way they should go, and they should plan that provision between themselves. But schools will have the incentive to plan good provision, because those children will be on their rolls, unless they have been excluded from school. So those children will be some of the first to benefit from these proposals.

Dr. Desmond Turner (Brighton, Kemptown) (Lab): I applaud the fact that my right hon. Friend has turned her face against selection at 11 and her intention to promote social mobility through education, but that

[Dr. Desmond Turner]

surely has to mean equality of access to the best education irrespective of where people live in an authority, irrespective of their means and irrespective, for instance, of their ability to move house next to the school they want their children to go to in order to get in. Will she please spell out very clearly how her proposals will reconcile the apparent conflict between greater freedom for the schools, including matters of entrance, and guaranteeing equality of access for all social classes in areas like mine?

Ruth Kelly: My hon. Friend makes a reasonable point. The first thing to say is that local authorities will have a clear duty, for the first time, to ensure fair access to schools for all pupils living in that community, so they will have to go out and find out what parents want. They will have to talk to parents when their children are in year 1, year 2 or year 3 of primary school to find out what sort of secondary school they want to go to and to ensure that they have access to schools of the sort that they want to attend. Authorities will have to build that into their school transport plans and ensure that there is fair access. Financial help will be given to them to overcome that barrier, but underpinning all that is, first and foremost, a requirement for every school to be a good school. Choice is not real choice unless standards are driven up across the system, but fair access to the schools that are on offer is at the heart of our proposals in the White Paper.

Mr. Richard Shepherd (Aldridge-Brownhills) (Con): Education in Walsall is run by Serco. Do the Secretary of State's statement and the White Paper presage the end of its control?

Ruth Kelly: No, they do not.

Clive Efford (Eltham) (Lab): I am grateful to my right hon. Friend for her statement, but may I ask her whether she believes that parent power will in any respect stand in the way of expanding schools and improving them? Where are the schools that want to expand to take on more challenging pupils?

Are we not empowering parents who have moved heaven and earth to get near to the successful schools, and who often have moved house to do so? Will they turn round and say, "Yes, expand this school and make it bigger to take on those more challenging pupils," when they feel that they have left those pupils behind through their ability to move closer to the most successful schools? I urge my right hon. Friend to think very carefully about the system we are introducing. Are not these proposals in danger of being a charter for the chattering classes to leave behind the inner-city secondary schools, as they have always done in our education system? What mechanisms will she put in place to ensure that that does not happen?

Ruth Kelly: I do not think that that is the case. I accept that schools are not bursting to come forward with plans for expansion—not many have been put forward in recent years, some have been approved, and some have been turned down—and if there are barriers in the system that prevent schools from even thinking about that, we want to remove them. The more likely model, however, is one that I see happening with my own eyes in my constituency. I have a head teacher who runs a successful school and I have a school that has been in special measures and has been very weak for many years. The head teacher of the successful school has now become executive principal of both, and the result, even in a very short space of time, has been dramatic. If we can get successful heads to want to take over under-performing, failing schools, that will drive up standards very quickly and spread opportunity across the system. The people who will benefit are those who are disadvantaged and who really need to benefit. That is at the heart of this White Paper.

Mr. Brian Binley (Northampton, South) (Con): May I thank the right hon. Lady for gladdening my heart? I fear, however, that she has depressed many of her colleagues, and I wish her well in the battle ahead. In relation to local authorities, I was particularly interested in the phrase in her statement, "They will oversee competitions to deliver new schools." I hope that that will gladden my heart, too. Will she explain that statement a little more?

Ruth Kelly: Under legislation that has already been passed, all new schools that are being proposed will be subject to a school competition so that the best school provider obtains. That process will be overseen by the local authority, with the voice of the parent also respected in the process, so that the school obtained is right for the area and the children, with the local authority setting the admissions criteria, the sort of curriculum and other specialist aspects that it is seeking. That is a strong role for a local authority, but not a new one.

Tony Lloyd (Manchester, Central) (Lab): We would all approve of certain aspects of the White Paper, such as the concept of clusters of excellence, which makes sense both in the most deprived and the most advantaged areas. But does my right hon. Friend understand the real fears of many on seeing this White Paper that the very powerful social stratification in our education system will be intensified by parental choice? Can she give some comfort to those who, like me, fear that their constituents, and their constituents' children, will miss out in the rush to the excellent schools? If all parents choose, some will choose better.

Ruth Kelly: I can give my hon. Friend some reassurance on that point. First, the White Paper is also about teaching and learning in our schools. It is about making sure that every child has the best possible education, tailored to their individual needs. When they are falling behind, they will have small group or individual tuition to bring them up to the expected standards in English and maths, and when they are gifted and talented, they will also have extra support. This is freedom for a purpose, not freedom just for freedom's sake. That freedom can drive up standards not just for one school, as collaboration can be encouraged by the use of that freedom and flexibility. That is exactly what is happening in local authorities such as Knowsley and in other areas such as Sheffield and Manchester. Such schools choose, because of the

eedom that they have, to work with others to improve ducation throughout their locality. Collaboration will e strengthened by strong, autonomous schools rather han the reverse. Those schools that most need help—hose in the disadvantaged areas—will be the first to be ble to benefit from the new trust model, because that is hat the schools commissioner is there to do.

Points of Order

4.34 pm

Mr. David Lidington (Aylesbury) (Con): On a point of order, Mr. Speaker. My point of order relates to Standing Order No. 112, which allows a Minister to make a statement to the Northern Ireland Grand Committee and to answer questions put by members of that Committee on the statement. You might or might not be aware that this morning, the Secretary of State for Northern Ireland announced details of the Northern Ireland budget to a press conference in Belfast. The decisions that the Secretary of State announced concerned the expenditure of £10 billion of taxpayers' money, and also involved a 15 per cent. increase in the rate bills paid by people in Northern Ireland. Despite the importance of that statement, however, not even a written statement has been made to the House of Commons today.

May I ask you, Sir, to remind the Secretary of State that our Standing Orders already allow Ministers to make statements, if not in the Chamber, to—in this instance—the Northern Ireland Grand Committee? That would at least allow the people elected by our fellow citizens in Northern Ireland to question Ministers about decisions that have an enormous impact on the lives of their constituents.

Mr. Peter Robinson (Belfast, East) (DUP): Further to that point of order, Mr. Speaker. If it is your wish to speak to the Secretary of State, will you please point out that the importance of the issue lies in the fact that this is a 19 per cent. rate increase, the highest in living memory in Northern Ireland? Yet Northern Ireland Members of Parliament have received no information other than what they can obtain from the BBC's website.

Sir Patrick Cormack (South Staffordshire) (Con): Further to that point of order, Mr. Speaker. May I point out that the Secretary of State is due to appear before the Select Committee tomorrow? He could have saved his information until then, when he could be questioned by Members of Parliament from Northern Ireland and the rest of the United Kingdom.

Mr. Speaker: Let me place it on record that I prefer Ministers to come to the House, or to a Committee of the House. I hope that that is borne in mind. As for the point of order from the hon. Member for Aylesbury (Mr. Lidington), it would be for the hon. Gentleman to approach the usual channels and ask for a meeting of the Northern Ireland Grand Committee to be held. I cannot interfere in that; it is a matter for the usual channels. I hope that that is helpful to the hon. Gentleman.

Licensing Act 2003 (Amendment)

4.36 pm

Peter Luff (Mid-Worcestershire) (Con): I beg to move,

That leave be given to bring in a Bill to amend the Licensing Act 2003 in relation to touring circuses; and for connected purposes.

When the world is so troubled by natural disasters, international terrorism, threats of flu pandemics, the impact of climate change and scandalous poverty, malnutrition and disease, circus may seem a rather trivial matter for the House to consider, but I believe that the performing arts have a vital contribution to make to the wealth of our nation, and circus is perhaps the most overlooked, undervalued and misunderstood performing art of them all. Today, touring circus is not just misunderstood; its very existence is under threat.

I am a school friend of Gary Smart, grandson of the legendary Billy Smart, and I freely confess that since then circus has been in my blood. This summer I was delighted to see two very different circuses, the charming and intimate Gifford's circus and the outstanding and exhilarating Zippo's. At both, the looks on the faces of the children, and for that matter the adults, were enough to persuade me to continue the campaign to save the circus from extinction.

Neither of those two circuses uses wild animals, and I must make it clear at the outset that the Bill has nothing whatever to do with the use of wild animals in circuses. Indeed, I signed early-day motion 468, which expressed concern about the use of such animals in circuses. Of the 30 to 40 touring circuses, only about three still use wild animals, only one to any significant extent. The overwhelming majority of circuses are now all-human, or use only domestic animals. The Bill is about protecting a fine British tradition that was born on the south side of Westminster bridge, on land now owned by St. Thomas's hospital. It was begun in 1768 by Philip Astley, a retired sergeant-major who had served in the 15th Light Dragoons in the seven years war and who was a gifted horseman. Initially he became an equestrian trick rider, and performed at pleasure gardens in London. He opened a riding school just across the river, added other acts and set up a ring, calling it "the circus"—which derived, I believe, from the French word for a circle.

For many thousands of young people, a touring circus is now their first introduction to live performing art. Circuses are the last unsubsidised touring art form in the country, visiting some of the smallest as well as some of the largest communities of our land. Circus is a profoundly democratic art form, and its very nature is multicultural. The innocent pleasure that circuses bring, however—as highly talented professionals risk their lives twice daily—is threatened, although I am sure that it is unintentional, by the Licensing Act.

The debate about the Licensing Act has concentrated on alcohol-related antisocial behaviour, 24-hour drinking and, to an extent, the Act's impact on village halls and sports clubs. But the Act also threatens to destroy the touring circus. That is hardly surprising, as it simply was not constructed with the needs of touring circuses in mind. Indeed, the circus industry had been promised total exemption from its provisions, just like that granted to travelling fairgrounds and even to Morris dancers. It was realised too late that that promise had been broken—or perhaps just forgotten.

I have taken industry representatives to meet Ministers on three occasions. Those meetings have always been courteous, including that with the Under-Secretary of State for Culture, Media and Sport, the hon. Member for Stalybridge and Hyde (James Purnell), whom I am glad to see in his place today. But the policy has not changed at all. I have initiated two Adjournment debates, asked many questions and written many letters to the Department for Culture, Media and Sport. I hope, even at this eleventh hour, that I can persuade Ministers to embrace this Bill, which is entirely in keeping with the spirit of the Licensing Act.

I am not alone in my concern. I am sure that Ministers know that Arts Council England continues to be concerned that the Act will have a damaging and lasting impact on the circus industry. The central problem is that the Act requires premises to be licensed. That is fine for a theatre that does not move, but it is a real issue for a touring circus that moves many times a year. So the Royal Opera house needs one licence, while a small touring circus needs 40, and sometimes as many as 60, separate licences. Getting 40 or more licences poses three problems for circuses, the first of which is cost. There is the cost not just of the fee but of duplicating plans, advertising the application and so on. Even without costing the labour to make the application, the average cost for just one licence is about £600. Most circuses operate on very small margins, and for 40 venues, £600 per venue works out at £24,000 a year.

The second problem is the bureaucracy. It is very difficult for a small circus out on tour—often, such organisations are very small indeed—to go through all the complex formalities needed to apply for a licence. All but the largest circuses have no back office beyond the one that travels with them in a caravan on the road. Organising photocopying and advertising, and dealing with local authorities in other parts of the country, imposes an intolerable—indeed, impossible—additional burden on these very small operators.

The third and perhaps most serious problem is the resultant inflexibility. Touring circuses need to be flexible. Their schedules change all the time. Bad weather can make a field unusable, and a competitor may have exhausted the market for circuses in a particular place the previous week. A circus responds by changing its intended venue, but under the Act it cannot be flexible. The time that it takes to apply for a licence means that it cannot change its plans, and it loses its revenue for the whole week because it either does not put on shows at all, or performs to very small audiences.

But the situation gets worse. It is now obvious that local authorities simply do not know how to treat circuses under the Act. Some are effectively refusing to licence them at all, while others are making obtaining a licence very difficult. Some are saying that the land on which the tent is erected needs a licence, while others are saying that the tent—the big top—needs one. Some are even saying that circuses are not covered by the Act at all and do not need licences. Cost, bureaucracy, inflexibility and now confusion: this fearful foursome means that the Licensing Act is likely to kill all but the three or four largest circuses, unless we make changes.

It is not as if circuses do not already have enough legislation to comply with. Licensing circuses will not add in any way to public safety, or provide any extra safeguards for local communities. They already liaise with local authorities, fire brigades and police forces about their sites, and any advice offered is always acted on. A complex and detailed web of legislation is already in place. I have in my hand the operational manual of one touring circus—Zippo's. Such a manual is needed to ensure that it complies with health and safety requirements, fire regulations, disability discrimination regulations, food safety and hygiene requirements, noise control rules, regulations for the safe storage of oil and gas, and requirements for all manner of risk assessments. Such assessments include a detailed analysis of the risks posed by the domestic budgerigars used in a particular act.

I also have in my hand the 12 certificates that a touring circus is already required to have, many of which must be applied for annually. They are a certification of test and examination of lifting equipment; a fire extinguisher inspection certificate; a flame-retardant application certificate; a National Inspection Council for Electrical Installation Contracting electrical installation report; a first aid qualification; a food hygiene certificate; a public liability insurance certificate; employer's liability insurance; an animal trainer licence; a veterinary inspection certificate; water extraction permission; and staff training documentation for fire, health and safety and manual handling. Anyhow, the purpose of the Act was to provide safeguards around the use and abuse of alcohol. Circuses do not serve alcohol and I am aware of no public order issues around circuses. Families with children intent on a good time do not usually take part in antisocial behaviour: the closest to it is probably the behaviour of the clowns in the circus ring.

The Bill provides three different routes for the Government to use to solve the problem. All three will be on the basis of an order-making power for the Secretary of State, but there will be a requirement for at least one of them to be implemented within a specific period.

The first possibility—my preferred route—is the annual licensing of circuses. The nature of the licence and the body responsible for issuing it will be left to secondary legislation. The Secretary of State could issue it him or herself, or it could be issued by the Health and Safety Executive, the home local authority of the circus, or any other body deemed appropriate by the Minister. The big top would be licensed, and unless there were changes to the layout of the big top during the season, the licence would be valid for a calendar year and no local authority would be able to overturn it.

The second possibility is the amendment of the temporary event notice procedure for circuses. The TEN regime is also designed for particular static venues like village halls and pubs. This clause would permit a special category of TEN, developed specifically for circuses, with more TENs available for longer periods and for larger audiences. A tight definition of what constitutes a circus should remove any risk of "creep" of the provision beyond circuses.

The third possibility is a provision to exempt circuses from the Licensing Act 2003 altogether. The Minister thinks that he already has the power to do this—I hope he will do so if he does have that power—but I am not so convinced. This would be an important fall-back provision if, for any reason, the first two routes proved unworkable.

Circuses are in real jeopardy unless the Government act. It was never intended that the Licensing Act 2003 should have this outcome. My Bill is simple, workable and sets no dangerous precedent. It just delivers what the Government originally promised to circuses. I know that the present Government have a fondness for regulation, and they often seem a tad serious in their approach—perhaps more roundhead than cavalier. I hope that Ministers in what was once known as the "Ministry of Fun" can now live up to that name and agree that circus is fun, is threatened, is worth saving and can be saved. I commend the Bill to the House.

Question put and agreed to.

Bill ordered to be brought in by Peter Luff, Harry Cohen, Mrs. Claire Curtis-Thomas, Mark Fisher, Andrew George, Mr. Michael Jack, Kate Hoey, Mr. Austin Mitchell, Miss Julie Kirkbride, Lembit Öpik, Stephen Pound and Mr. John Whittingdale.

LICENSING ACT 2003 (AMENDMENT)

Peter Luff accordingly presented a Bill to amend the Licensing Act 2003 in relation to touring circuses; and for connected purposes: And the same was read the First time; and ordered to be read a Second time on Friday 2 December, and to be printed [Bill 65]

Orders of the Day

Electoral Administration Bill

[Relevant documents: The First Joint Report from the Constitutional Affairs and the ODPM: Housing, Planning, Local Government and the Regions Committees, Session 2004-05, HC 243-I and 243-II, on Electoral Registration, and the Government's response thereto, Cm 6647.]

Order for Second Reading read.

Madam Deputy Speaker (Sylvia Heal): I must inform the House that Mr. Speaker has selected the reasoned amendment in the name of the Leader of the Opposition.

4.48 pm

The Minister of State, Department for Constitutional Affairs (Ms Harriet Harman): I beg to move, That the Bill be now read a Second time.

As Members of this House, we are all here because we are elected to represent our constituents under our democratic system. That is an extraordinary privilege, and as we swing through those doors marked "Members Only" we cannot help but feel a sense of pride. However, I bring the Electoral Administration Bill to the House on Second Reading today because all is not well with our democracy. As Members, we need to acknowledge the problems; as the Government, we need to take action to tackle them.

The legitimacy of our democracy depends on three things—everyone having the right to vote, everyone wanting to vote and no one fiddling the vote. However, we have problems with each of those three legs of the stool. Before I come to the specific measures that I am commending to the House in the Bill, I want to make it clear that the problems of under-registration and low turnout are not evenly spread, so those problems with our democracy are the map of inequality in our society.

We are all familiar with the concept of social exclusion—with communities that suffer from poorer health, lower educational achievement and worse housing—and we all agree that it is the business of Government to act to tackle the problems. However, what is less accepted is that social exclusion has a political dimension—that although the better off are on the register and go out to vote, people in poorer communities are more likely to be left off the register and are less likely to go out to vote.

As the Constitutional Affairs Committee pointed out in its report of March this year, people who are white owner-occupiers in non-metropolitan areas will be on the register. However, about 3 million people—most of whom are poor, council tenants, black and living in inner cities—will not be. In those areas, low registration and low turnout compound each other to create what I call democracy deserts, where it is the norm not to vote. Therefore, the Bill contains measures to ensure that those hard to reach people are included on the electoral register.

Mr. Andrew Love (Edmonton) (Lab/Co-op): My right hon. and learned Friend will be aware of the particular problems in London, where 21 of the 25 constituencies with the highest levels of under-registration are situated. Does the Bill contain special measures for London?

Ms Harman: My hon. Friend is exactly right. The Electoral Commission also reported last month, and it found that London was the region with the lowest turnout. As he will be only too well aware, the problem in London is compounded by the fact that we have 32 electoral registration authorities. That results in fragmentation among those whose task it is to deal with the cross-London problem. However, I hope that my hon. Friend will be reassured to hear that I am working with the Mayor of London, the Association of Electoral Administrators, parliamentary colleagues and all the capital's local authorities to try to establish a much better register before the May elections.

Mr. Oliver Heald (North-East Hertfordshire) (Con): On behalf of her party, does the Minister accept any responsibility for the fact that electoral services in the places to which she refers by and large have been run for many years by Labour councils? Precious little has been done to deal with the problem.

Ms Harman: I had hoped that this Bill would not become a party political football. We should undertake a shared analysis of the problem and take into consideration the findings of both the Select Committee and the Electoral Commission, as we all have an interest in supporting democracy and tackling inequality. Everyone would like the situation to be better, but today's debate is an opportunity for the House to determine whether the measures in the Bill, and other operational measures, can help to resolve the problem.

Simon Hughes (North Southwark and Bermondsey) (LD): The Minister will know that I share her concern and also her commitment to ensuring that many more people vote in areas such as the ones that she and I represent. I want to make a couple of constructive suggestions. First, we should hold a census day every year that has much better publicity than is currently the case, and it should be on a regular date so that people can recognise and remember it. A week before a general election, another day should be set aside as the last day for registering to vote. With huge publicity, that would help to ensure that people go to the polling booth.

Secondly, people who want to vote often go to the wrong polling station and are turned away. They should be allowed to vote there and then, and any other votes cast by them should be discounted. That approach would at least prevent people from feeling that they are not wanted, which can put them off ever trying to vote again.

Ms Harman: The hon. Gentleman shares a borough and its electoral registration services with me, and he makes a very important point. The idea of holding a democracy day, which people would know was the last possible date for registering to vote, is not a bad one. We could try it out in London. I hope that he will be part of the London campaign as we need many ideas to tackle the problem that I have outlined. We need to ensure that

all registration officers take all the necessary steps to get people registered, and that all of them follow best practice and reach the highest standards.

The Bill introduces a new duty for electoral registration officers to take all necessary steps to ensure comprehensive registers and it sets out what those steps must include. We will extend the registration time until after an election has been called, instead of the current cut-off of six weeks before the election. Once the election campaign is under way and the parties are out and about, people often feel most motivated to get on the register, only to discover that that is not possible. We will allow them to register up to 11 working days before the election. We will require administrators to make public the amount that they spend on electoral services to ensure that we can all see how much each authority is spending.

Ensuring that everyone has the right to vote also means ensuring that everyone who is eligible and registered to vote is then able and encouraged to participate. To promote participation we are requiring that all polling stations are regularly reviewed to ensure that they provide proper access for everyone.

There is a particular problem of young people not being registered—and of not voting even when they are registered.

Tim Farron (Westmorland and Lonsdale) (LD): Will the right hon. and learned Lady reflect that we provide citizenship education for our young people up to the age of 16 and then force them to wait until they are 18 to exercise their vote? Will she consider bringing forward proposals that will allow the voting age to be reduced to 16—*[Interruption.]*—so as to harness the enthusiasm of 16-year-olds and encourage participation and community cohesion?

Ms Harman: The problem of young people not voting is so acute that, with respect, I would say to right hon. and hon. Members who say, "No, that is a bad idea", that we are not in a position to rule out any options. We must be as open-minded as we can possibly be on this issue.

I hope that the provision in the Bill to allow parents to take their children into the polling booth with them will enable parents to show their children how to vote and give them the opportunity to teach their children democracy in practice.

Mr. Eric Pickles (Brentwood and Ongar) (Con): Does the right hon. and learned Lady understand that this is not a mechanism? The failure to register is not because the process is inadequate. Among young people there is a complete disengagement from politics. I commend to her a report produced by the Joseph Rowntree Foundation, which shows that most people get out of the habit of voting. That does not relate to youth alone—an entire generation feels that this place is entirely alien from it. To re-engage with the members of that generation means reaching into society. It is not a question of mechanism.

Ms Harman: I agree with the hon. Gentleman. Many of us in this place—I and colleagues on both sides of the Chamber—have argued for modernisation of the House. We have not gone far enough. We need completely to reinvent the role of the MP, but that is not the subject of the Bill. Its provisions are important, but they will not change things overnight. However, they are necessary and I commend them to the House.

Lembit Öpik (Montgomeryshire) (LD): The Minister makes interesting points about young people. She opened the door a little to the prospect of allowing 16-year-olds to vote. Does she accept that the issue is not that 16 or 17-year-olds are children, but that the law regards them as adults in many different ways, including the right to have children and to get married? Will she explain why the Government are still resistant on bestowing the right to vote to 16 and 17-year-olds who, in many other ways, are already regarded as adults in the eyes of the law?

Ms Harman: The hon. Gentleman advances strongly the arguments in favour of changing the voting age and reducing it from 18 to 16. I have said that, as well as pursuing citizenship classes and many other measures, we will try to keep as open a mind as possible. It is not a question of people losing the habit of voting. A generation of people are growing up who have never voted. They have never got into the habit of voting.

We are proposing lowering the age of candidacy from 21 to 18 in line with the change in voting age that has already taken place, opening up the possibility of teenage Members for the first time. Hon. Members have expressed their concern that our system denies some members of our armed forces the right to vote. I acknowledge the representations on this issue of my right hon. Friends the Minister for Industry and the Regions and the Member for Walsall, South (Mr. George), my hon. Friend the Member for Rhondda (Chris Bryant), and the hon. Members for Gosport (Peter Viggers), for Chichester (Mr. Tyrie) and for Chesterfield (Paul Holmes). Many other right hon. and hon. Members on both sides of the House have also brought the issue to my attention.

As a result of those representations, I have met my right hon. Friend the Minister with responsibility for the armed forces, and the Electoral Commission has, together with the armed forces, begun a concerted campaign to ensure that every member of the armed forces gets on the register and then gets either a postal vote or a proxy vote. It must be right to make absolutely sure that our servicemen and women, away from their homes on national service, do not thereby lose their right to vote. We shall monitor the situation to ensure that the changes are working, and the first test will be the May 2006 elections.

Mr. Andrew Tyrie (Chichester) (Con): What estimate have the Government made of the number of service voters who were unable to vote because they did not make it on to the register at the last election? Could the right hon. and learned Lady also explain why, despite the fact that vigorous representations were made a full nine months before the general election, we still went into the election with those who are trying to bring democracy to Iraq unable even to vote in their own country?

Ms Harman: The hon. Gentleman has been to the fore in bringing that to our attention and he is right to express frustration. I understand the strength of feeling about the matter. We are determined to monitor the situation and take forward practical measures. One of the problems was that there was no accepted figure for the amount of under-registration in the armed forces. To some extent, people said that there was no problem, but now that it has been acknowledged, it will be tackled and measured to ensure that our proposals work. I hope that we can make progress on that.

Dr. Gavin Strang (Edinburgh, East) (Lab): The whole House should support the Government's efforts to improve registration, whether for service people or others. In relation to compulsory postal voting, or all-postal voting as opposed to what I gather is now called traditional voting—we all want to maximise the number of people who have the opportunity to vote through being on the register. However, even more important than the poll percentage is the integrity of the ballot and the perception among the mass of the population that the vote is honest and fair. Will my right hon. and learned Friend bear all those points in mind when considering the question of compulsory postal voting, which is, as she knows, extremely controversial?

Ms Harman: I hope that I can allay my right hon. Friend's concerns when I reach the next passage in my speech, which is about the security of the vote.

Mr. Peter Robinson (Belfast, East) (DUP): I welcome the Minister's remarks about ensuring that the armed forces have a greater opportunity to vote. However, although I received many complaints from serving soldiers about their inability to vote in the last general election, I received more complaints from serving members of the Police Service of Northern Ireland, who were unable to vote due to the logistics of election day in Northern Ireland, when a far greater police presence is required. Will she look into that issue and ensure that every serving police officer is allowed to vote and does not have their vote whipped away at the last moment by some change of direction by a senior officer?

Ms Harman: Perhaps I could discuss that with my ministerial colleagues in the Northern Ireland Office. I shall make sure that the hon. Gentleman's point is drawn to their attention.

Peter Viggers (Gosport) (Con): At a meeting last week, the Minister told me that there had been considerable discussions between her, her Department, the Ministry of Defence and the Electoral Commission and she undertook to write to me with details. I look forward to receiving that communication and hope that I do so before the Bill goes into Committee, as it would be helpful in deciding whether the Bill requires amendment.

Ms Harman: I thank the hon. Gentleman for the points that he made in our meeting last week. We all need to work together. We should not be incapable of solving the problem—and if the Ministry of Defence, my Department, and the armed forces work together, we really ought to be able to sort it out.

Mr. Heald: As the Minister will know, originally service personnel filled in a service voter card and were thereafter registered to vote in the constituency they specified, but now an annual update is required to the local registration officer in whichever constituency the person wants to vote, which has caused a problem for the armed forces. What will the Minister do to get around that problem? Can we go back to the old system or have a new one that ensures that our servicemen can vote?

Ms Harman: We need to be sure that the concerted efforts to be made by the MOD, the Electoral Commission and the armed forces to get service personnel on to the register make progress. If they do not, we shall have to look into other ways of dealing with the matter. We are absolutely fixed on the objective of getting members of our armed forces on to the register and enabling them to vote. Quite frankly, whatever means we need—whether primary or secondary legislation, or whatever—we must take those measures to make that happen. If a different system for armed forces personnel from the one for people who are not in the armed forces is necessary, we can take that step.

Mr. Alan Beith (Berwick-upon-Tweed) (LD): The tendency to sweep names off the register annually, which affects service voters and others, has increased following the changes in service arrangements. Does the right hon. and learned Lady recognise—as we did when the Constitutional Affairs Committee considered the issue—that where the data show that a name should be removed from the register, of course, that should be done, but the automatic removal of names at the year end takes off the register the names of people who have simply failed to get their names on to the form during that year, which leads to under-registration?

Ms Harman: I pay tribute to the Select Committee's work under the right hon. Gentleman's leadership. He raises an important issue in the Committee's work and in the House today. People who have voted all their lives find it exasperating if they go down to the polling station and are told that they cannot vote because they are not on the electoral register. They usually protest and say, "How can the council think that I am not there? They sent me a council tax bill yesterday." We should ensure that we strike off people who have moved and so on—it is important that the register is as accurate as possible—but whether we can use data sharing to check who is or is not in an area is something that the Electoral Commission's performance standards can address.

Some electoral registration officers feel that they are not allowed to carry out data checking to tackle either any gap in the register or people whose names may have fallen off the register. To clarify that, we will state in secondary legislation that they have the right to check all the data that they have. We will also consider whether we need secondary legislation to give them access to other data beyond what is held by councils for the purpose of completing the electoral register. Under the Bill, we will require them to check the data that they hold to ensure that their register is as complete as possible.

Mr. Brian Binley (Northampton, South) (Con): My concern lies with the quality of electoral registration staff. In general, the staff tended to stay in office for a very long time some years ago. When there was perhaps a man who had worked for 30 years whose assistant had worked for 10 years, the quality of the staff was very high indeed. That length of service has ceased to exist in many electoral registration offices, but the Bill mentions nothing about the training of electoral registration staff. Will the right hon. and learned Lady consider that and tell us how such training might improve our whole electoral system?

Ms Harman: Training will be part of the performance standards that the Bill will allow the Electoral Commission to lay down, in consultation with the Secretary of State, and that will require that all electoral administrators reach the highest standards.

I am aware that many colleagues on both sides of the House want to speak. I have been speaking for quite some time already, but I am about to get to the point that concerns many of them very deeply indeed, as it does me—fraud. Therefore, I will try to truncate my comments while doing justice to the many issues in the Bill.

Mr. Clive Betts (Sheffield, Attercliffe) (Lab): On the important issue of data sources, I welcome what my right hon. and learned Friend says about EROs being able to gain access to data from councils and, perhaps, other Government sources. Will she also consider the possibility of gaining access to other data—for example, from the Post Office, from the utilities and, in areas where housing stock has been transferred, from housing associations and arm's length management organisations? Will she even consider requiring those organisations to provide information to EROs, as well a giving EROs the right to gain access to it?

Ms Harman: My hon. Friend makes a number of points about other data that are available that ought to inform the electoral registration officer whether someone should have the right to vote. As I have said, under the Bill councils will have a duty to check their own data to ensure that their register is complete. Beyond that, we will no doubt consider such things further to find out whether the measures that we have already taken are enough, or whether we need to follow my hon. Friend's suggestion and take further steps.

On the question of fraud, every person in this country—no matter what ward or constituency they live in, and no matter what their ethnic background is—is entitled to be sure that they can cast their vote and that the votes will be fairly counted. No one's vote should be stolen and no result should be perverted by fraud—that is a basic right for all. To protect that individual right and to ensure that the public are confident that that is the case, we have a comprehensive plan for electoral security that will tackle the concerns that were graphically identified in Richard Mawrey's judgment on the Birmingham fraud cases. The measures include primary legislation, such as many measures in the Bill; secondary legislation, which I shall bring forward shortly; performance standards to ensure that there is best practice; and extra resources for electoral registration officers. People have a choice about how to vote in this country. Whether they choose to use the ballot box or postal votes, which my right hon. Friend the Member for Edinburgh, East (Dr. Strang) mentioned, they should be confident that the system is secure.

Philip Davies (Shipley) (Con): Is the Minister aware that police in Bradford, which is where I am from, have examined approximately 252 cases of alleged electoral fraud? It would certainly be of great benefit to our part of the world if she would consider introducing individual registration and give a commitment not to hold all-postal ballots again, which have done much to devalue the electoral system.

Ms Harman: We will continue to allow people to choose to vote by post if they want to. We want to increase participation. Hon. Members on both sides of the House acknowledge that we do not want to stamp out the choice of postal voting. However, the hon. Gentleman makes important points about fraud and I hope that I will be able to reassure him with further points that I shall make in my speech.

Mr. Patrick McLoughlin (West Derbyshire) (Con): The Minister talks about the choice of using postal voting, but one of the awkward aspects of the system is the fact that people never quite know when their postal votes will arrive. Have the Government considered having a central point in each constituency at which people would be able register their votes in person after postal votes were available? Some people cannot be sure that they will receive their postal vote before they leave on holiday and so on. Such a central point in each constituency at which they could vote in person up until polling day would take away some of the distrust in the postal system.

Ms Harman: That is a good idea, although I would have to work out whether it would require primary or secondary legislation, or a performance standard. Several people have expressed concern about the matter, so we will consider the situation.

Several hon. Members *rose—*

Ms Harman: I have a bit of a problem because although many hon. Members are making important interventions, I realise that I am taking time away from other speakers. I guess that I had better take only two more interventions and then just plough on.

Mr. John Spellar (Warley) (Lab): Will my right hon. and learned Friend be cautious when following suggestions about individual registration and take careful note of the experience in Northern Ireland? There was a substantial drop in numbers on the electoral register there and representations on ways to remedy that were made across a wide part of the political spectrum. Yes, we need an accurate register, but we must ensure that it is comprehensive too. I certainly do not think that we should consider introducing

[Mr. John Spellar]

individual registration before many other measures have bedded down to enable us to ensure that the maximum number of people are on the register.

Ms Harman: The points that my right hon. Friend makes are absolutely right. It is helpful for the House to hear about his experience as a Northern Ireland Minister.

Mr. Rob Wilson (Reading, East) (Con): The Minister cited Birmingham as a high-profile case, but is she aware that there are several smaller cases throughout the country? For example, there was a police investigation in my constituency of Reading, East that proved that fraud had occurred. However, a challenge to the result was impossible because the investigation lasted well beyond the legal time limit in which such a challenge could be made. Should not the time limit be suspended while an active police investigation is taking place?

Ms Harman: The Bill will extend the time in which the police can investigate before they prosecute. I do not know whether that addresses the exact point that the hon. Gentleman makes, but it is something along those lines—I will have to write to him.

As with registration, the key to tackling fraud is to give electoral administrators the powers, duties and resources that they need. There will be new electoral fraud offences in the Bill. We have strengthened current offences, created new ones and toughened up penalties. As I said, we are extending the time in which the police can undertake investigations, and in polling stations we will require voters to sign for their ballot paper. People have to sign for a recorded delivery, but they do not currently have to sign for a vote. Doing so will be an extra security measure.

The Bill includes a number of measures to ensure the security of postal voting. We will require administrators to write to everyone who has applied for a postal vote to confirm it. Unless another individual living in someone's house is opening their post they can be confident that their postal vote application is secure. We will require voters to give a reason if they want their postal vote to be redirected to an address different from the one on the electoral register. We will bring forward the deadline for applying for a postal vote to give electoral administrators more time to check applications, and we will make it clear that electoral administrators have the power to check signatures on applications to vote by post. If passed, secondary legislation will be introduced in time for the May 2006 council elections.

In the Bill, we allow local authorities to pilot a scheme making identifiers such as someone's signature or date of birth a condition for inclusion in the electoral register. Hon. Members will know that the Electoral Commission recommended individual registration. We have decided that rather than go straight to a national roll-out, we should test the proposal first. We need to be able to assess in practice the security benefits of such a system, as well as the extent to which it compounds the problem of under-registration.

Under-registration is not a problem in all areas, but it is an acute problem in some. We cannot afford the risk that even more of our poor, black and young people who are eligible to vote are unable to do so because they are left off the register. We need tough anti-fraud measures, and we are taking them. We need to try out individual signatures as a condition for inclusion on the register, and we are doing so. We will proceed in an evidence-based and, I hope, sure-footed way. Individual registration is not a principle, but a means to an end. We will try it out to see whether it works. The principles at stake are security and access and we will not compromise on either.

The Electoral Commission will play a key role in supporting and evaluating the pilots. I expect that local authorities with the greatest fear of fraud such as that of the hon. Member for Shipley (Philip Davies) will be the first to volunteer for the pilots. Anticipating the comments of the official Opposition, I believe that before we make significant changes we need to be as sure as possible that they are right. As I have said, we will adopt an evidence-based approach. We will not take risks with the security of the vote, nor are we willing to take risks with the register and people's right to vote. We will evaluate the pilots and the results will be presented to the Select Committee on Constitutional Affairs and to the House.

The next elections will be held in May 2006. I am already working closely with local authority chief executives, and I thank them for their work and all their ideas for improving the process, as well as electoral administrators, council leaders, police and, of course, hon. Members. To support their efforts in wards that are at risk of fraud we need to identify the relevant areas and take action. Such areas may be home to minority ethnic communities, but the men and women in those communities have as much right to participation in fair elections as anyone else. Wherever there is a threat of fraud we must take concerted action. Most areas do not have such fears, but where there is a history, or a new threat, of fraud we will back the individuals taking action at the local level. The Bill will give electoral registration officers a power to promote participation in elections to achieve higher turnout, and it will provide a ring-fenced fund.

Everything in the Bill is underpinned by provisions for performance standards for electoral services, which will be set and monitored by the Electoral Commission, after consultations with the Secretary of State, to promote best practice. To enable them to carry out their greater responsibilities and exercise their wider powers and duties, we are allocating £17 million to local authorities over the next two years.

I know that the hon. Member for South Staffordshire (Sir Patrick Cormack) will attempt to catch your eye, Madam Deputy Speaker, to make his proposals about the legal changes that are required when a candidate dies between nomination and election day. He is a senior and experienced Member of the House who has had more reason and more time to think about that than anyone else, so I am grateful to him for being prepared to sort the matter out, and I am making parliamentary drafting available to him so that he can table his proposals by way of amendments in Committee.

As to the process, we will be seeking to deal with part of the Committee stage of the Bill on the Floor of the House. As this debate has demonstrated, the issue is one in which many Members of the House have a keen interest and a great deal of experience. The Bill is not a

virility test for the Government or party politics. It is about improving democracy and tackling inequality. I will listen, as will my hon. Friend the Under-Secretary of State for Scotland, to the views of Members in all parts of the House. If hon. Members from whichever part of the House come forward with proposals of merit backed by reasoned arguments, we will accept their amendments.

I hope that when the measure comes to be considered in another place there will be an acknowledgement that we have, in this elected House, given the Electoral Administration Bill the careful, impartial scrutiny that a measure reforming our democracy deserves. I commend the Bill to the House.

5.21 pm

Mr. Oliver Heald (North-East Hertfordshire) (Con): I beg to move,

That this House declines to give a Second Reading to the Electoral Administration Bill because it fails to introduce necessary and sufficient measures to restore public confidence and integrity in the electoral system, owing to the absence from the Bill of the tried and tested Northern Ireland system of individual registration; because it lowers the threshold for lost Parliamentary deposits, which will assist extremists like the British National Party in spreading racist propaganda; because it perpetuates the flawed system of all-postal voting and fails to provide for the proper Parliamentary scrutiny of election pilot schemes; and because it exposes the Government's continuing preoccupation with electoral modernisation that has undermined the UK's reputation for free and fair elections.

Nobody could present the measures proposed by my hon. Friend the Member for South Staffordshire (Sir Patrick Cormack) better than he doubtless will. We stand behind his proposals, but I shall not even attempt to explain them.

Given what has happened to our electoral process, no Opposition politician could fail to point out that when Labour was elected in 1997 the promise was to restore trust in the political process and to introduce a new politics. Since then, the electoral system has been tinkered with on many occasions, often for partisan advantage. The Government have opened the door to an older form of politics, which was riven with abuse and corruption and which all of us were glad ended more than 100 years ago.

Electoral law was the most unexciting and staid corner of the Home Office until the Government turned their beady eye on the subject. Since then responsibility has changed three times to three Departments, we have had six Acts of Parliament—the Bill would be the seventh—and we have ended up with a system that has led public opinion and confidence in the electoral system to collapse and compromised the perceived integrity of Britain's once proud electoral system. There is no question that what has happened is wrong. Something substantial needs to be done, but the Bill is inadequate. We needed a strong sword to defend our democracy and what we have is a damp lettuce leaf.

I shall start with the proposals for pilot schemes for collecting personal identifiers. The introduction of postal voting on demand in 2000 was a welcome step. It allows electors to apply for a postal vote without any specific reason. It has led to an upsurge in postal voting and we do not oppose that at all. However, the experience has shown that we need firm anti-fraud measures. Things have got to a point where we have had international election observers from as far away as the Ukraine and Serbia, those well-known beacons of democracy, coming to the United Kingdom to tell us how to run our system. They warned that the issue of postal voting has raised lingering doubts about this country's ability to regulate elections securely. They went on to suggest a way to overcome the problem—individual voter registration—for which the Government's own Electoral Commission and MPs from across the political spectrum have also called.

The Government's proposal for a few local authority pilots is wholly insufficient. There is no need for pilots—Northern Ireland, a nation in itself, has trialled the system extensively over a number of years—which are simply a delaying tactic. Conservatives want to see the Northern Ireland scheme introduced in Great Britain, with national insurance numbers used to verify registrations, which is essential to ensure an accurate register and to curtail postal vote fraud. The Government do not like the use of national insurance numbers and initially opposed their use in Northern Ireland. It is, however, worth reminding them that after pressure in the other place by Conservatives and Unionists, the late Lord Williams helped to introduce their use in Northern Ireland.

The electoral registration officer for Northern Ireland, Denis Stanley, with whom I have discussed the matter, told me that he was initially concerned that the use of national insurance numbers might have an adverse effect on registration, but his fears have been allayed. In a road to Damascus conversion, even the Northern Ireland Office now admits that national insurance numbers were

"central to enhancing the accuracy of, and confidence in, the electoral register in Northern Ireland".

The dead were voting in Northern Ireland, and now they are not. Some 94 per cent. of the people in the census were registered to vote before the change, and the figure is now well ahead of the registration level in many inner-city areas, which is an issue that the Minister has discussed.

Chris Ruane (Vale of Clwyd) (Lab): Will the hon. Gentleman tell the House about the initial drop in voter registration as a result of the introduction of the single signature in Northern Ireland and the number of successful prosecutions for postal ballot fraud in the past few years?

Mr. Heald: The fall in the number of people registered was about 120,000. It is often claimed that that shows that people who should have been on the register were no longer on it. However, the Electoral Commission, which has looked into the matter, and Denis Stanley, the electoral registration officer for Northern Ireland, do not say that. They say that the single signature has improved the accuracy of the register.

The level of registration in Northern Ireland is high compared with the areas about which the Minister, the hon. Member for Vale of Clwyd (Chris Ruane) and I are concerned. Labour councils in inner-city areas have not done anything to address the problem of under-registration, which requires an active campaign and proper canvassing, and I welcome the fact that the Minister now talks about those things.

[Mr. Heald]

I welcome the idea of data matching and checking, which the Select Committee has rightly suggested. However, let us not kid ourselves that everybody has been working hard and busting a gut trying to get people to register in the inner cities, because they have not.

Mr. Love: Does the hon. Gentleman accept that the electoral registration officer for Northern Ireland put 70,000 electors back on the register in order to get the register up to the 94 per cent. figure, after it became clear that only 83 per cent. of the people on the census were registered in Northern Ireland? The electoral registration officer made that decision because there was a crisis in registration that had to be addressed.

Mr. Heald: The hon. Gentleman has not quite got the figures right, but I will not quibble.

It is possible to introduce two changes at once, and the introduction of individual registration should be accompanied by an active campaign involving the materials mentioned by the hon. Member for Sheffield, Attercliffe (Mr. Betts) in order to capture the true position by obtaining an accurate register. It can be done, and it should be done.

Mr. Peter Robinson: It is fairly well established in Northern Ireland that the initial drop in the register was a result of the removal of fictitious electors. However, in the subsequent year there was a further drop of, I believe, 70,000, which has been mentioned. The Government will face a conundrum, as there is a tension between having an accurate register and fraud. The more identifiers one requires and the more difficult one makes it for people to register, the fewer will register.

Mr. Heald: I agree that there is more to this than a simple solution—we need a strategic approach that involves a range of measures. I understand from my visit to Northern Ireland that there is now much more confidence in the accuracy of the register. The hon. Gentleman is right to say that extra measures are being suggested further to improve the system to ensure that people do not drop off the roll every year. That need not happen if the register is effective, accurate and well canvassed. The proposals for Northern Ireland are probably a good way forward, although the hon. Gentleman might want to query points of detail.

Individual voter registration and an identifier such as the national insurance number are required because without them there is no way of checking that the person exists. I shall give an example from New Zealand, which has a system similar to the one that we would end up with under these proposals. Last month, it was reported in *The New Zealand Herald* that a disgruntled resident had decided to register his pet Jack Russell, Toby, on the electoral roll as a protest against development laws. He gave his dog the full name of Toby Russell Rhodes and his occupation as rodent exterminator. He signed with a squiggle using the dog's paw and then put a paw mark, just to make the point. He gave Toby the birth date of 4 July 1977, which would equate to his age in human years; he is really four years old. Toby was signed up to the electoral roll and duly received his voter's card. That could happen under the system that the Government suggest—and he could have a postal vote, to boot. Not one of their proposals really tackles the problem with the register.

This is not just about what international observers and the Electoral Commission have said. In the draft guidance, even the Government accept that when the good old identity card comes along there may be scope to use it to do what I am suggesting needs to be done using the national insurance number.

As the electoral commissioner observed earlier this year regarding the Government's claims that concerns over fraud are not justified by events:

"no serious independent investigation was ever carried out into postal vote fraud. In short, there is likely to be no evidence of fraud, if you do not look for it. Especially if a policy decision is made not to look for it."

He says that the Government have simply put their head in the sand.

Mr. David Heath (Somerton and Frome) (LD): The hon. Gentleman knows that my colleagues and I agree with him about voter registration but not about the use of the national insurance number. He gave the House to understand that the Electoral Commission supported that, but I do not believe that it did. It supported individual registration, but not the use of the national insurance number as an identifier.

Mr. Heald: The Electoral Commission and international observers support individual voter registration. It is true that the Electoral Commission has said that as a minimum it would want signatures and dates of birth, and has not specified national insurance numbers. I am arguing for that, passionately and effectively, I hope. If we do not have some independent way of verifying that such people exist we will fall short as regards security.

The Minister has recently talked a great deal about democracy deserts created by under-registration.

Dr. Alan Whitehead (Southampton, Test) (Lab): Is the hon. Gentleman aware that there are substantially more national insurance cards in circulation than there are people who exist for employment purposes?

Mr. Heald: One could make two specific points about national insurance numbers. First, a small number of people do not have one. Secondly, when people die, they remain flagged up on the national insurance computer so that their widows can continue to receive pensions. The hon. Gentleman is therefore right to suggest that the system would not be perfect, but what is perfect in this world? However, it would take matters a good deal further. It has been tried in Northern Ireland and the people who administer it there say that it works well. Given the extent to which public confidence has been damaged by what has happened in this country, surely we should introduce a system that everybody agrees meets the challenge. That is where the Minister fails.

Over-registration is a serious matter. Although it is regrettable when a person does not take up the right to vote—some people choose not to do so but we would all like people to take up the right—we can tackle the problem and I would like us to do that. However, over-registration is a warning sign of the scope for

corruption and electoral malpractice. When the Government give powers to electoral registration officers to do more, I hope that they will clearly include the duty to ensure that people who are not entitled to vote come off the register. A democracy desert is a place not only where not everybody votes but where people who should not be able to vote do so. There is no democracy in those circumstances.

I heard the Minister's comments about service voters. She is clearly examining the matter, but I stress that it is urgent. It is wrong and unacceptable that people who are serving their country cannot vote. Nothing in the Bill will improve the position. Is it possible for the Minister to find some way of tackling the problem during the Bill's passage? It is a failing in the measure if nothing is done to provide a mechanism whereby our service personnel are assured of their vote. I would also like a provision to encourage overseas voters because they are entitled to vote and there appears to be nothing for them in the measure.

The Government may suggest that the reasoned amendment is an attempt to act against the anti-fraud provisions. I do not believe that they go far enough. The Bill makes an offence of providing false information when applying for a postal vote. That is a tiny tightening of the law. Let us not forget that the Representation of the People Act 1983 already makes it an offence to vote fraudulently by post or to attempt to do that. The Bill extends time limits for prosecutions but we should not forget the comments of the election court in Birmingham:

> "No sanctions are of any real value, however, unless elections can be policed. As became very apparent in the trial of these Petitions, in real terms the policing of electoral fraud is minimal to the point of being almost non-existent."

Other changes are worth while—for example, the requirement of a signature at the polling station and the provision for creating a marked register for postal votes. One would not argue with those provisions. However, the genuine alternatives are individual registration with national insurance numbers and scrapping postal voting.

Lembit Öpik: The hon. Gentleman listed the groups and individuals whom he believed had the right to vote. What is the Conservative party's position on giving 16 and 17-year-olds the vote? Organisations such as the Electoral Reform Society and the highly effective UK Youth Parliament have a cast-iron case on the basis that, if people are old enough to pay tax and do the many other things that they can do at 16 and 17, it is a basic human right to allow them to vote.

Mr. Heald: I am a great supporter of the Youth Parliament but the polls that I have seen suggest that young people are not asking for the lowering of the voting age. We do not therefore support that. It is right to have younger candidates—if people can vote at 18, why should not they stand for Parliament? However, the case for lowering the voting age needs to be proven. The Liberal Democrats have some odd ideas about ages. I understand that they want to introduce drinking at 16. That beggars belief when we have such a problem with binge drinking.

Lembit Öpik: Will the hon. Gentleman give way?

Mr. Heald: No, I must get on.

Lembit Öpik: Briefly?

Mr. Heald: No. It was enjoyable, but enough is enough.

The polling station and the traditional ballot box should remain the foundation of our democracy, and citizens must always have the choice to vote in that way. Let us have an assurance from the Minister today that compulsory all-postal voting will end.

David Taylor (North-West Leicestershire) (Lab/Co-op): Will the hon. Gentleman give way?

Mr. Heald: Not at the moment.

The pilot schemes are becoming something of an abuse. When they were originally proposed in 2000, it seemed right to try out some of these ideas, and we were prepared to accept the schemes. However, Ministers are setting up pilot schemes year after year. We have reached the point, particularly as the schemes are not monitored by this place, at which this has become an abuse. If Ministers want to undertake pilot schemes, they should at the very least announce them to the House. They do not do so at present. I suggest that they should go further, and that we should have a right to approve those schemes. Otherwise, this could go on for ever, with Ministers choosing the battlefield and deciding how an election is to be conducted in a particular place. That is dangerous.

If the Minister wants to increase the turnout at an election, she must recognise the role of political parties, rather than merely tinkering with the electoral system. The Bill sends out some wrong signals. The long-delayed creation of an electronic electoral register is welcome, but we need solid assurances that the information that political parties currently receive from local authorities, and the additional information that will become available through the central data stream, will be made fully available to political parties, without reservation.

The Government are going to allow independent candidates to use almost whatever description they choose about themselves. However, it would be wrong to allow that, while restricting the descriptions that political parties can use. Someone could stand as the Sedgefield independent candidate but not as the Sedgefield Labour candidate, and that would be wrong. Will the Minister look again at that proposal?

The rules governing candidates' expenses are also to be changed. A four-month rule will be introduced, replacing the start of poll as the beginning point for election expenses. That will take us back to prospective parliamentary candidates and parliamentary spokesmen circumventing the rules, which we really cannot have. There is also to be a measure to reduce the percentage of votes that a candidate must poll in order not to forfeit

[Mr. Heald]

their deposit, from 5 per cent. to 2 per cent. I have great worries about that, because it will help extremists such as the British National party.

Philip Davies: Is my hon. Friend aware that, if that rule had been introduced before the last election, the BNP would have saved its deposit in Shipley, whereas in fact it lost it? In cities such as Bradford, support for the BNP is a scourge, fuelled by the political correctness that we have seen throughout the country. Does my hon. Friend agree that this measure will succeed only in giving money back to the BNP so that it can peddle its filth in places such as Bradford?

Mr. Heald: That is a serious worry. If this proposal were agreed, the BNP would probably be able to stand in about 73 more constituencies for the same amount of money. The freepost mailing is worth about £15,000, so it does not require rocket science to work out that the measure would be giving a benefit worth about £1 million to the BNP. Surely there should be some checks and balances in place to prevent candidates who do not have substantial public support from gaining such an advantage at the expense of the hard-pressed taxpayer. This measure is a change too far, and I hope that the Minister will think again. It beggars belief that the Labour party would want to support a proposal that would help such extreme individuals.

That said, I ought to mention two or three proposals that we do support, apart from those of my hon. Friend the Member for South Staffordshire. It is right that victims of domestic violence and members of the armed forces who are under threat should be able to register anonymously. We also like the idea of lowering the age for candidates; that was something that we suggested. There is a spirit of co-operation to that extent.—*[Interruption.]* I mentioned a few others along the way.

Finally, may I say something about the issue of prisoners voting? This should be debated in Parliament, and the recent European Court of Human Rights ruling is an affront to the House. The Court argued that the fact that Parliament had not divided on the issue was a justification for foreign judges overruling British law.

The prohibition on convicted burglars, muggers, rapists and murderers having the right to vote reflects, I believe, our political, social and cultural values in the United Kingdom. We believe that a jail sentence—by definition, a serious punishment—involves the temporary loss of freedom, including the right to vote. In fact, the last time this matter was discussed here, in 1999, it was not divided on because it was thought that we all agreed about it. I hope that Parliament will be given the opportunity to make that point clear to our friends overseas, because this Parliament should be able to decide such matters.

The Government have an opportunity with the Bill to restore the cross-party consensus on electoral law. They can restore the trust, integrity and confidence in the British electoral system, but the Bill is a wasted opportunity. We need bold action. In the 21st century, we perhaps need even a new politics, but we do not need a return to the older politics of corrupt elections, which we put behind us a century ago. That must not be allowed to happen; we deserve a better Bill than this.

Madam Deputy Speaker: I remind all right hon. and hon. Members that Mr. Speaker has imposed a 12-minute limit on Back-Bench speeches.

5.46 pm

Mr. Jim Devine (Livingston) (Lab): Let me say first that this is a truly magnificent place, and it is a great honour to represent my constituents here within. May I place on record my appreciation, as the new boy in this place, for the support and warmth that I have received from right hon. and hon. Members, from both sides of the House, which is very much appreciated? In particular, I want to place on record the advice that I have received about this, my maiden speech: all of it has been totally contradictory, but it has been very helpful.

This is a place that I would not want to be in, if that meant that Robin Cook was still alive. Robin Cook was described by the Chancellor of the Exchequer, my right hon. Friend the Member for Kirkcaldy and Cowdenbeath (Mr. Brown), as the outstanding parliamentarian of his generation. In this place, Robin was known for his intellect, his wit and his drive. I knew him, as his election agent since 1982, for the work that he did in his constituency. Throughout Livingston, there are many monuments to the work that Robin Cook did for the people of Livingston and West Lothian: St. John's hospital, the rail link between Bathgate and Edinburgh, new schools and new colleges of education—all tributes to the great work that Robin did.

What was striking, and what marked Robin out as an outstanding politician, was the work that he did for ordinary people in his constituency. It was humbling, during the by-election, to go to door after door and meet people on whose behalf Robin had intervened, or people who had met him or seen him at gala days.

Before the election in May, we estimated that Robin had been involved with more than 40,000 constituents and their families in the Livingston area in his relatively short time as an MP there. He once told me that he had met many, many wealthy people in his life and that he had been to many wealthy places, but that he had never encountered the wealth of community that so much prevailed in many parts of the constituency, which I now have the great honour to represent.

One member of staff used to call us the odd couple. Right hon. and hon. Members might remember the film of the same name. There were two central characters: one was a witty, charismatic individual who played a mean hand of poker; the other was an obsessive individual who would rewrite his introductory leaflet 27 times to ensure that there were no split infinitives. Well, the odd couple are no more, and I will miss him terribly. His tragic death on 5 August is not just a loss to this place but a great loss to the constituency of Livingston and to West Lothian. Robin and I were not only close personally but politically. On the major issues of the day—apart from proportional representation—whether full employment, social inclusion, dignity for our pensioners or Iraq, we were as one.

I have the great honour to represent in this place the village and the community in which I was born and brought up. Prior to becoming a full-time union official with the Confederation of Health Service Employees, I worked in primary care psychiatry, which I recognise is a skill that could be of use in this place. It was a pleasure, during the by-election, to meet one of my constituents, who, when I asked if she was voting Labour, told me that, in the past, she had always voted for the Scottish National party, but this time she would vote for Labour, because I used to work in the health centre, and when her man was "off his heid", I was "the man who came up and jagged him and made him better." Not many right hon. and hon. Members will have had such an endorsement from their constituency. Gregor Poynton, who was working hard on my campaign, chapped a door on the night before the by-election, and said to a man who came to the door, "Would you like to meet Jim Devine, the Labour party candidate?" The man said to him, "I'm sorry, mate, there's nobody in." It is a unique constituency.

In fact, the constituency is the fastest growing part of Scotland. The new town of Livingston was established in 1965. We have a football team in the Scottish premier league. Sadly, it is propping up the premier league at the moment, but we will not be following our friends to the east and sacking our manager. I am sure that we will be moving up the league very quickly.

I have famous, great predecessors—not only Robin but Tam Dalyell, the former Father of the House, represented my constituency, as did Mannie Shinwell. Probably our greatest claim to fame, however, is the work of James "Paraffin" Young, who in Addiewell in 1866 delivered the first shale mine, and extracted oil from shale for the very first time. I can therefore proudly boast that I am the Member with the first oilfield in the world in his constituency.

I have a variety of interests. I hope that this place follows the lead of the Scottish Parliament and the Irish Dail in banning smoking in public places. That will make a major contribution, not just to the well-being of individuals and bar staff but to the population as a whole. I have a particular interest, as a former full-time union official with Unison, in industrial relations. I want to share with this place a modern, industrial relations practice model in which I was involved within the Scottish health service—partnership working. Partnership working and staff governance were given the same legal status as clinical and financial governance. I also want to participate in the campaign by ASLEF to get freight off our roads and on to rail.

I was warned, however, that one of the things that I would have to do is refer to this debate, and I am obviously happy to do so. The turnout for the by-election in which I was elected was 38 per cent. The turnout in another by-election in Scotland that day was 32 per cent. Not too long ago, if a constituency delivered less than 70 per cent. in a by-election or in a general election, questions would be asked. This is not just a Scottish problem. The very able Scottish journalist, Ian McWhitter, pointed out in an article recently that in Leeds in 1999, the turnout was 19 per cent., in Tottenham in 2000, the turnout was 25 per cent., and in Kensington and Chelsea in 1999, the turnout was 29 per cent. It is not a Scottish problem, a rich problem, a poor problem, a Tory problem or a Labour problem. It is a problem for all of us collectively.

I have ideas on how we should improve turnout. From my experience in the by-election, one idea is about political honesty and political debate. I had to deal with the party of independence that would discuss everything bar independence. The Liberal Democrats launched a petition in the by-election against the closure of the local hospital. The local hospital, St. John's, is not under threat and will not close—I can give assurances to the Liberal Democrats on that. What was striking about their campaign was that they blamed the Scottish Executive for causing the closure—a Scottish Executive of which they are a member. This dishonesty alienates voters, and that is why people do not participate in the political process.

We must all learn from one another. I see my hon. Friend the Member for East Renfrewshire (Mr. Murphy) sitting on the Front Bench. One of my colleagues, who lives in his constituency, tells me that if he raises a complaint with him, he ends up with 12 letters, six phone calls and three visits. When I shared that information last night with my hon. Friend, he told me that that was false—it is 24 letters, 12 phone calls and six visits.

As I said at the start of my speech, being in this place is a great honour. I am very proud that my constituents elected me here. I recognise that I have big shoes to fill, and I hope that I can do so.

5.57 pm

Mr. David Heath (Somerton and Frome) (LD): May I say what a pleasure it is to follow the hon. Member for Livingston (Mr. Devine), who made a remarkably fluent and assured maiden speech? He is absolutely right that his predecessor, Robin Cook, can only be described as a great parliamentarian, whom many of us will miss as a colleague and friend. It is a difficult to act to follow, which he appreciates, but he has made a very good start. I just hope for his sake that the hospital is still open in four years' time—many are not.

I have no illusions that there may be contained excitement outside this place about our proceedings this evening, but the Bill is extremely important. It deals with a critical element of our democracy—our voting system. I welcome the Bill. It is a modest Bill, which has gross omissions that I shall seek to point out, but what it does contain is welcome. I must say to the hon. Member for North-East Hertfordshire (Mr. Heald) that I am amazed that even the modern, opportunistic Conservative party can find any reason to decline to give a Second Reading to a Bill that contains measures that we all want introduced, and to deprive Parliament of the vehicle for further such measures. It is a tactical mistake. I hope that he will reconsider that position later, as it is important that we move forward as a united House as far as possible in seeking to reduce fraud and maintain the integrity of the voting system.

Mr. Heald: I am not recanting for a minute. Does not the hon. Gentleman accept that we only have this poor Bill because of the noise made from the Conservative Benches, and to be fair, from the Liberal Democrats, making clear just how appalling the levels of fraud and corruption, or the risk of those, were? Clearly, if the Bill is not good enough, of course we put down a reasoned amendment.

Mr. Heath: I agree with the hon. Gentleman up to a point. Of course our debates on the earlier legislation highlighted the lack of rigour on the Government's part in ensuring that our voting system maintained the integrity for which we hoped. I disagree with him, however, about the reasoned amendment. A reasoned amendment simply is not the right way in which to deal with omissions in a Bill of which we approve in all other respects.

I still hope that the hon. Gentleman will reconsider, because we undoubtedly need to re-establish, as far as possible, consensus—in the House and beyond—on what we should do to make our voting system better. That is urgent. The hon. Member for Livingston mentioned the appalling—I use the word advisedly—turnout in a key parliamentary by-election. In such circumstances there should not be such a low turnout, but we know that it is replicated in both parliamentary and local elections throughout the country time and again.

That puts our democratic system at risk. I am not being alarmist or apocalyptic. We need a process of democratic renewal across a wide front, including parliamentary as well as electoral reform. We must make a start. The Minister of State said that she wanted to listen to what Members had to say, and—rightly—that it was for the elected House to deal with a Bill concerned with elections in the proper way. That is, I must say, a marked improvement on the Government's performance during the passage of the European Parliamentary and Local Elections (Pilots) Act 2004, which set a new nadir for Government conduct in such circumstances. Measures were forced through in the face of opposition not just from every other party represented in the House but from the Electoral Commission, which had been appointed as an independent voice to advise the Government. I hope that those days are over, and that the Government now intend to proceed much more constructively.

We should also recognise that there is, understandably, a tension between the integrity of the register and the wish for as many voters as possible to be included in it. We demand three things from a voting system. We want the register to be as comprehensive as possible, we want as many as possible of those registered to vote to be encouraged to exercise their right, and we want those who are not entitled to vote—or those who wish to abuse their vote—to be deterred effectively from doing so.

I do not think it is possible to deal with one of those requirements without dealing with the others. We need to establish a balance. That is why I welcome the work done not just by the Electoral Commission, to which I give credit, but by bodies such as the Electoral Reform Society and also my right hon. Friend the Member for Berwick-upon-Tweed (Mr. Beith), Chairman of the Constitutional Affairs Committee, who has temporarily left the Chamber. I hope that we can reduce fraud and increase registration and turnout without any part of the equation being detrimental to any other part.

David Taylor: The Government were right to try to increase turnout in the 2004 European elections by means of all-out postal votes, although obviously there were problems. Does the hon. Gentleman agree, though, that we cannot just walk away from absent votes? Should we not promote the availability and take-up of postal votes much more in constituencies? Constituencies with similar social and demographic profiles have very different rates of registration, which suggests that in some areas, at least, much more work needs to be done by the electoral registration authorities.

Mr. Heath: I agree with the last contention. I welcome a couple of suggestions made earlier by my hon. Friend the Member for North Southwark and Bermondsey (Simon Hughes) about how we might increase registration and participation.

As for experiments of the kind that we saw at the time of the European elections, I have no problem with the use of novel forms of voting provided that measures to combat fraud are in place beforehand. The difficulty—which we pointed out repeatedly to the Government at the time—was that while they wanted to increase turnout, they were not prepared to establish measures to maintain the integrity of the ballot.

The Birmingham judgments, with which Members will be familiar, do not relate directly to those elections, but they are damning. A senior judge, Richard Mawrey, quoted the Government in his obiter dicta:

> "There are no proposals to change the rules governing election procedures for the next election, including those for postal voting. The systems already in place to deal with the allegations of electoral fraud are clearly working."

What complacency on the Government's part, in the face of clear evidence that the systems were not working. Richard Mawrey commented:

> "Anybody who has sat through the case I have just tried and listened to evidence of electoral fraud that would disgrace a banana republic would find this statement surprising. To assert that 'the systems already in place to deal with the allegations of electoral fraud are clearly working' indicates a state not simply of complacency but of denial."

I believe that, at that point, the Government were in denial, but I welcome the Minister of State's current view. She has clearly distanced herself from the earlier position, and we are making progress.

There are omissions from the Bill. The big one is the issue of personal identifiers and individual registration—in fact, two issues which, although not identical, are related. Here we come to the question of balance. What personal identifiers are appropriate to deter fraudsters, while not tipping the balance by reducing the incidence of registration or voting? That is the crucial equilibrium that we must achieve.

I believe that the Government have fallen on one side of that balance. We will seek to persuade them in Committee, but they have not yet been prepared to accept the wider palette of personal identifiers to reduce fraud. I believe that the hon. Member for North-East Hertfordshire has fallen on the other side, because I do not believe that national insurance numbers constitute a good personal identifier. I think that such an arrangement would deter many people. I frankly admit that I do not know my national insurance number. If I were asked to give it, I would not be able to, and I think that many others are in the same position. I know of no bank or financial institution that uses national insurance numbers as a personal identifier. Moreover, we know that national insurance numbers are occasionally duplicated, that—as the hon. Member for North-East

Hertfordshire accepted—they are sometimes retained after a person is deceased, and that they are known by people other than those to whom they belong. Employers, for example, know the insurance numbers of their employees—although they probably do not know their mothers' maiden names, or other identifiers that are used on the telephone by people contacting their banks.

What I do accept is that we need to do better than we are doing now. I see the Government edging towards a conclusion that I consider inescapable: that we need personal identifiers, especially in the case of postal ballots when people do not present themselves at polling stations in person.

Mr. Tyrie: An alternative to the conundrum described by the hon. Gentleman would be a more restricted form of postal voting.

Mr. Heath: That would be one solution, but I would rather find a better way of maintaining the integrity of the postal vote. I do not want to reduce turnout, I do not want to reduce registration, and I do want to recognise that people lead vastly more complicated lives than they used to and are often away from their homes on the Thursdays that we choose to use as polling day. Another solution might be voting at weekends. There are a number of possible answers, but I think we should strive to find a better way of preventing fraud.

Mr. Love: The hon. Gentleman spoke of the need to strike a balance, and of the significant fall in registration in Northern Ireland. Does he accept that we should conduct pilots to establish just how that balance should operate? Does he also accept that before introducing individual registration, we should try to boost the overall level of registration?

Mr. Heath: We certainly ought to increase the overall level of registration, but I do not accept that we need pilots for what is a rather simple concept: whether people sign and provide a personal identifier before getting the vote. This is not a complicated issue on which we need to take a huge amount of evidence. Were we to opt for complex personal identifiers that people could not reasonably be expected to have in their mind, there would be an argument for trialling them.

I point out to the hon. Member for Edmonton (Mr. Love) that this is an urgent issue. If we pursue the Government's suggested pilot scheme, which will inevitably take time to evaluate, we will get to another general election without proper measures in place to prevent postal ballot fraud. To do that would be to serve democracy and the people of this country very ill indeed.

Chris Ruane *rose—*

Mr. Heath: I give way for the last time and then I must make progress.

Chris Ruane: I thank the hon. Gentleman for giving way. According to the Electoral Commission, 3.5 million to 4 million people are currently unregistered. Does he believe that a personal identifier involving a single signature will discourage or encourage those people to register?

Mr. Heath: My personal opinion is that it will do neither. I do not believe—the Government seem also to take this view—that people will be discouraged by having to put a signature on a piece of paper.

I do not believe that a pilot is the way forward, and I certainly do not believe that a few authorities opting into a pilot would constitute any form of controlled experiment. If the Government want to run a pilot, let them do so properly. Let us have pilots in one or more regions. Local authorities should not be given the choice to opt in or out; if they are, the top-performing ones will opt in and those that do not perform very well will not bother. Let the Government, with the help of the Electoral Commission, identify regions in which it would be sensible to—

Mark Tami (Alyn and Deeside) (Lab): Will the hon. Gentleman give way?

Mr. Heath: No. I am aware that I have taken up the time of other Members who want to make speeches.

Let us deal with this issue to a sensible time scale, and on a scale that provides us with the results that the Government apparently want. That is the right way forward, as I shall try to persuade the Government in Committee.

The Government have got themselves in a terrible mess on the issue of the expenses period. A four-month period for election expenses running before a fixed-term election is fine, because everybody knows where they stand. Of course, it is true that we always assume that county council elections will fall on the same date every four years, because that has been the pattern over the past few years, but the fact remains that having such a four-month period before an election whose date has yet to be determined gives rise to all sorts of problems.

I say candidly to the Government that if they really want this provision to work, they must increase the limit to allow for a full four-month campaign during the election period, rather than a one-month campaign. But doing so will raise the threshold to the point where the process will be open to the abuse that we are theoretically trying to reduce. Doing so will increase instances of abuse of the kind that we used to have—instances of the old formulations being used to enable people to pretend that they are not candidates, when everyone knows perfectly well that they are. It would be much more sensible to revisit this matter and to consider the consequences.

I now want to say something that some Members will not find so conducive. In this context, we also need to look at central parties' spending in local constituencies. A great deal of abuse is going on in this regard—on the part, let me say, of all the parties represented in this House. In constituencies that are considered marginal, a welter of general election literature from political parties that is "off record" so far as election expenses are concerned is addressed individually to electors and put through their doors. That is nonsense and an abuse of the process, and it should not happen. It is not difficult to identify instances where election literature is directly addressed to an individual elector in a particular constituency. Such literature must surely count as an election expense.

I want also to consider the change in the deposit threshold. I accept that this issue gives cause for concern, but I do not take quite so strong a view as the hon. Member for North-East Hertfordshire because, in my view, the deposit is not the right way to eliminate

[Mr. Heath]

fringe candidates. A financial barrier is not the right way to restrict access to the poll. A far better idea is to change the number of assenters, so as to require a demonstration of popular support in a constituency before entering the poll, rather than using the financial constraint of a deposit. We do need to consider this issue.

I welcome some of the new offences included in the Bill. We could go further by, for instance, preventing completed postal vote forms from falling into hands other than those of electors or returning officers. I welcome the co-ordinated online record of electors—the electronic register—and, I think, the performance standards, although I hope that they will not become over-prescriptive tick boxes. I hope that the Electoral Commission will seek, rather, to give guidelines and to audit the performance of electoral officers, rather than providing yet another system of targets. Moreover, the situation regarding imprints is still a mess, and I shall hope to improve it as the Bill progresses.

May we also please do something about the Post Office authorities' inappropriate influence in deciding what goes into a freepost leaflet? It is not for the Post Office to decide what we put in our leaflets. It is perhaps part of its job to refer something that it believes to be against election rules to the Electoral Commission, but it is not for the postmaster to decide what is appropriate for electors of X constituency to receive from candidates in an election.

I finish on a small point that is none the less important to Members. The Government are being cautious in doing something about the anomaly of the duplication involved in providing evidence of donations both to the Electoral Commission—as a result of the Political Parties, Elections and Referendums Act 2000—and to the Parliamentary Commissioner for Standards, whom we employ to deal with such matters. The Government should not feel such concern, because it is sensible to eliminate this duplication. Let the Electoral Commission have access to and audit our Register of Members' Interests, and let it be able to call in the commissioner for questioning, but let us not have this silly duplication.

If we all feel this way, we should not worry about what some splenetic tabloid writer may say about us weakening our standards. Eliminating this duplication would not weaken them—we know that, the Electoral Commission knows that and the Parliamentary Commissioner for Standards knows that. This would be a sensible and small improvement that would be welcomed by the Standards and Privileges Committee, on which I used to serve.

Mr. Heald *rose—*

Mr. Heath: I give way for the very last time.

Mr. Heald: I just want to say that we agree with the hon. Gentleman on this issue.

Mr. Heath: I am grateful to the hon. Gentleman; it is helpful if we form as broad a front as possible on it.

This is a modest but welcome Bill that is capable of improvement. I hope that the Conservatives will not express their distaste for its omissions by voting for the reasoned amendment, because that would be an unsatisfactory way of progressing what should be a Bill on which we reach consensus. For heaven's sake, let us see whether we can maintain the voting system's integrity and extend the franchise to those whom we are missing under the current process.

6.19 pm

Miss Anne Begg (Aberdeen, South) (Lab): I will address most of my remarks to the issue of ensuring that disabled people have full access to the democratic process, but before doing so, I want to point out that there are a number of things about the Bill that I welcome. I am thinking in particular of some of the changes to postal voting, following the problems faced by those whose postal votes did not arrive. On the day of the 2005 general election, a *Scottish Mirror* headline read, "The election: postal ballot scandal—probe launched into vote rigging in Aberdeen". As the Labour candidate for Aberdeen, South, fighting a very tight marginal, one can imagine the trepidation with which I read that headline. Stating that a special probe into "postal voting irregularities" had been launched in Aberdeen, the article continued:

> "Six people turned up to vote in the key marginal seat of Aberdeen, South, held by Labour's Ann Begg, only to be told that they had been registered as postal voters. Another six complained to election staff after failing to get postal voting papers they had applied for."

That story meant that the local registration officer launched an inquiry to establish what had happened. In the scheme of things, 12 votes going amiss is not perhaps a huge problem, but what happened to those individuals might well have been replicated across the whole country.

In some cases, people had forgotten that they had applied for a postal vote by ticking the form in the previous October. In some cases, they did not tick the form because of household registration: perhaps the head of household had decided that his whole family should apply for a postal vote. When the postal vote did not arrive, they were none the wiser and did not find out that they had a postal vote until they arrived at the polling station. It often did not dawn on those who did know that they had applied for a postal vote that they had not seen it until the day before the election. Only then did they wonder where it had gone. In all those cases, people turned up at the polling station but were not allowed to register their votes. At that stage, they were disfranchised and there was no way that they could register a vote in the hope that it could be checked at some time in the future. That is why I welcome two measures in the Bill—the marked postal vote register and the tendered voting system—and I hope that they will answer the concerns that were raised in my constituency during the election.

I want to make a point on behalf of my hon. Friend the Member for Cumbernauld, Kilsyth and Kirkintilloch, East (Rosemary McKenna), who unfortunately cannot be present today. She found that 500 votes in her constituency were discounted on account of a clerical error. It appears that the officer in one particular polling station had, instead of writing the polling number on the

counterfoil, written it on the ballot form itself. That made it possible at the count to identify whose ballot papers they were, so 500 were discounted. My hon. Friend is looking for an assurance that the Bill will make provision to correct what was obviously a clerical error. The voting intentions in all those cases were perfectly clear and I am glad that that did not happen in my constituency. With a majority of 1,300, that could have been very worrying. In many constituencies, 500 votes can be the difference between winning and losing.

It is important for people to have the right to vote in a range of different ways. I do not agree with tightening access to postal votes, as the expansion of such votes has been a great advance, improving the access of elderly people and people with disabilities to the democratic process. However, the postal vote is not a panacea and should not be viewed as an either/or. Some people with disabilities will want to go and vote in person, while for others, postal voting may present as many barriers as going to vote in person.

I hope that the Bill will start to make access to voting much easier and my major plea is for consistency. It would appear that, on account of having different registration officers in different areas, there is little central guidance, which can result in different advice being given out to different polling clerks in different areas. It can even result in differences in the literature that is produced in different areas. For instance, one of my constituents did not realise that they should have received a postal vote until they turned up at the polling station because the polling card did not mention that a postal vote had been applied for. In areas such as Westminster—where I am also on the electoral register, as are other hon. Members—I know that polling cards did indicate that a postal vote had been allocated. Something as simple as the information on the polling card can help to inform people about exactly what they have signed up for.

Now that it is possible to apply for a postal vote for life, it is easy for people to forget from one election to another that they have already applied, leading to a duplication of applications for postal votes. As soon as an election is called, all the political parties start throwing leaflets through people's doors encouraging them to apply for a postal vote, resulting in people applying when they already have one. That is bound to increase the work load at a busy time for electoral registration officers. It is important to make their lives as easy as possible.

My plea for consistency also applies to what we mean by an accessible polling station. When I talk about access, I am not just talking about physical access. We tend to think of people in wheelchairs requiring physical access, which is, of course, important. I want to be able to get into all the polling stations in my constituency. This time, when my constituency had expanded by three wards, I discovered a polling station that I could not get into on polling day. I turned up to be faced with six steps. As a candidate, I wanted to go in and visit the polling station, but I found that in order to do so, the polling clerk would have to leave their position to go to open the back door to let me in—but how did I get to him to tell him to do that in the first place? That problem is not uncommon. There is often a big sign outside, saying "to gain access, please alert the polling clerk inside".

Disabled people want to vote on their own as well. Gaining physical access is important, and it is not just about sticking in a one-in-10 ramp over six steps. It can be quite daunting to see something that looks like the north face of the Eiger. There must be a proper ramp, which is not just a temporary expedient, but permanent and stable. Access for people with visual impairment may require a Braille template or large print to be in place.

Scope's "Polls Apart 4" report—so called because it is the fourth election in which the organisation carried out a survey of the accessibility of polling stations—caused considerable concern. I had thought that, at last, things would be a lot better. However, the Scope survey discovered that 68 per cent. of polling stations at the 2005 election did not meet every single one of the accessibility criteria. About 60 per cent. had flat access so that people in wheelchairs could get in, but other concerns had been forgotten about, so the polling stations did not meet all the accessibility criteria.

The report also found that in 63 per cent. of cases there were problems and barriers to postal voting, too. That shows that postal voting is not necessarily the answer to the problem of lack of physical access to a polling station. Too often, it has been expressed to me as an excuse that I can always vote by post. If the post box is not accessible or it is difficult for people living alone to find someone to countersign the ballot, postal voting cannot provide the answer. Postal voting is an alternative and it can make life easier for many disabled people, but it does not provide the whole answer. As a candidate, I certainly want to be able to visit all the polling stations in my constituency. Disabled groups are very keen that personal identifiers should be introduced. They are not so sure about piloting the scheme, but this debate has made me understand why the Government want that to happen. They also have some concerns about what happens in care homes, and who is responsible for filling in the registration forms and encouraging people to vote.

My time will run out soon, but I have a couple more things to say. First, I hope that the proxy vote will be retained. It is very important in constituencies such as mine, where many people work offshore. Postal voting does not always work for them, as they do not necessarily come home in the period between the day that an election is called and polling day. Proxy votes are also very important for people who work abroad—for instance, many of my constituents work in the middle east.

Finally, I am very glad that candidates are to be allowed their common names. When I first stood for election, I had to use the name Margaret A. Begg—the one that appears on the electoral register—even though everyone knows me as Anne Begg. The change proposed in the Bill is crucial for allowing people to identify candidates.

6.31 pm

Sir Patrick Cormack (South Staffordshire) (Con): I am sure that the hon. Member for Aberdeen, South (Miss Begg) has commanded a lot of support for her speech. She speaks from experience and with authority, especially on the difficulties faced by people with disabilities, and I am sure that the Minister of State and the rest of the House will have listened to her with great sympathy.

[Sir Patrick Cormack]

The House also listened with great admiration to the speech by the hon. Member for Livingston (Mr. Devine). He has popped out of the Chamber for a moment, but he spoke with great fluency and real commitment, and I am sure that he will become a valuable Member of the House. However, I must join him in regretting the reason for his presence—the terrible tragedy last August that took away one of the most consummate parliamentarians of the age.

I feel the loss particularly strongly. Robin Cook was one of the first people I saw on my delayed return to the House, and he greeted me very warmly. He said that something had to be done about the problem that I had faced, and that he would help me. Indeed, his name appears on the face of the private Member's Bill that I introduced on 6 July, as one of its sponsors.

In that context, I am grateful for the help given to me by my hon. Friend the Member for North-East Hertfordshire (Mr. Heald), who opened the debate for the Opposition today. However, I am particularly grateful for the help given by the Minister of State and her officials. She was faced with a dilemma: she was sympathetic to my Bill but had to decide whether to support it, as every private Member's Bill is somewhat deficient in drafting. The alternative was to tack my proposals on to this Government Bill.

The Minister of State discussed the matter with me, and I readily accepted her preferred solution. She proposed that I should seek leave to introduce amendments during the Committee stage on the Floor of the House that, in effect, would incorporate the main points of my Bill into the Government's proposals.

Given the help that I have received, I am afraid that I shall not support the Opposition's reasoned amendment later tonight. My hon. Friend the Member for North-East Hertfordshire will fully understand that that is because I want to see this Bill, imperfect as it might be, on the statute book. In this matter, I take the line adopted by the hon. Member for Somerton and Frome (Mr. Heath). He and my hon. Friend made several points—for example, about deposits and voting rights for prisoners—with which I agree entirely. I also agree with the hon. Gentleman about the length of the campaign, but nevertheless, this is a Bill that can be improved in Committee as long as it is approached in a consensual way by hon. Members of all parties.

I want to concentrate on the matter that caused me so much concern and which delayed my return to the House. I do not speak in any sense selfishly, as I would not want any hon. Member, of any party, to have to go through what I went through. Tragically, my Liberal Democrat opponent in my constituency died on the Saturday before polling day. Friends in the Liberal Democrat party, both locally and nationally, wondered whether they could help, but there was nothing that anybody could do to accelerate the process.

As a result, we had to wait seven weeks to hold the election. My constituents were disfranchised for all that time. For South Staffordshire, that was something of an inconvenience, and for me it was a frustration. However, if the delay had affected Mr. Speaker, for instance, he could not have been elected to the Chair. If it had affected the Prime Minister, he could not have addressed the House on the day of the Queen's Speech. Indeed, given that the Labour party constitution states that the leader of the party must be a Member of Parliament, it is arguable whether he could have remained Prime Minister.

Another matter that must be borne in mind is that this is an age when people campaign in some rather strange ways. It is not beyond the bounds of possibility that a person campaigning on a euthanasia ticket might deliberately take his or her own life, or that a terrorist might do likewise. As it is stands, the law allows a person to stand in as many constituencies as he or she can find the deposits and the names for.

On 6 July, I referred on the Floor of the House to the case of the lady who stood in all four Cardiff seats. She picked up fewer than 400 votes in all, and in one seat registered only one vote—presumably her own. However, if she had died, whether tragically or deliberately, there would have been no representation in that city.

I remember the elections in February and October 1974. If something similar had happened then, the Government of the day could have been in doubt. The House might also cast its mind back to what happened in Germany recently. That election shows that such difficulties can be dealt with much more expeditiously than is possible for us at present. The death of a candidate in Dresden delayed the election there for two weeks, compared with the seven weeks here. Therefore, I shall introduce amendments to the Bill that will attempt to address the question of delay.

I shall also table an amendment that would prevent a delay if an independent candidate in an election were to die. After all, the Prime Minister had many independent candidates standing against him. Independent candidates are sui generis, by definition, and there is no replacement if one dies. I am delighted to say that the Government have accepted the force of that argument.

Mark Tami: All hon. Members felt for the difficulties that the hon. Gentleman suffered as a result of the tragic death of the Liberal Democrat candidate in his constituency, and we all knew that we could be put in the same position. He is right to say that we must deal with the problem, which could have dramatic consequences, especially in the circumstances of a hung Parliament or a very close result.

Sir Patrick Cormack: I have just made that point, and I am glad to have it endorsed.

The Minister of State did not agree with me on one point, and I accept her argument. I wanted some threshold to be established for smaller parties, but she and the Electoral Commission were very uneasy about defining the differences between genuine parties and ones that are less genuine. In parenthesis, however, I think that she really ought to think again about the question of the deposit. A proliferation of candidates from fringe parties could create a problem that she and I would prefer to avoid. My hon. Friend the Member for North-East Hertfordshire made some telling points in advancing the argument on that issue.

The Minister of State agrees with me that nominations should not reopen for new candidates. The difficulties that I experienced happened during a general

election, not a by-election, so I did not cease to be a Member of Parliament. When a general election vote is delayed in such circumstances, the poll that is finally held should replicate the general election as far as possible. However, the law as it stands allowed the Labour party to substitute a candidate.

I make no personal criticism of that, as the lady in question had very good reasons for standing down, but the same mechanism could be used to shoehorn into a constituency high-profile people who had lost elsewhere.

Equally there were three other fringe candidates who had not signified their desire to fight in the general election who suddenly appeared on the scene. I do not think that that is right. Some people have tried to argue that everything should open again, but it should not. It is the general election. Everyone has the right to decide whether to contest a particular constituency, and if they decide to do so, they should still stand in any delayed general election. However, if they want to withdraw, they must convince the returning officer that they have a very good reason to do so. They are not substituted. In this instance I think that the Minister of State has strengthened the provision that I included in my Bill.

I am delighted that the Minister has accepted the need to tackle the problem of multiple candidatures. We live in an age that is very different from that of which we are reminded at the beginning of every state opening when the Speaker says that all of those elected for more than one constituency must hereby declare which one they wish to represent, or words to that effect. That is one of the first things that is said at the beginning of a new Parliament.

We all know that the days of hedging bets by standing for a second constituency, as some illustrious people in the past did, have long gone. Nowadays, multiple candidature is used by the maverick or eccentric candidate. So we are not limiting the right of any man or any women to stand in any constituency of his or her choice. We are merely saying, "Make your choice and stand in that constituency, not in a dozen others."

Imagine the mayhem that could be caused, deliberately or accidentally, if someone decided to stand against every member of the Cabinet or every member of the shadow Cabinet, and then died or killed himself. We would suddenly have constitutional mayhem. We can relax because my experience was merely an inconvenience for me and my constituents, but it could have precipitated a constitutional crisis, especially if the result of the election had been much closer than it was.

I think that my experience has highlighted some bad law. I am grateful to the Minister for the way in which she has responded. I am grateful also to all those Members in all parts of the House who agreed to sponsor my Bill, including the leader of the Democratic Unionist party, the hon. Member for North Antrim (Rev. Ian Paisley), and three very senior Liberal Democrats. When I come to move my amendments, I will have drafted them with the help that has been offered by the Minister. I hope that they will be accepted by right hon. and hon. Members on both sides of the House. I hope also that when the next general election comes, whenever that might be, there will be no Member who will have to go through what I and the electors of South Staffordshire had to experience on 23 June, or in waiting for 23 June. I appeal for help when I move my amendments. I hope that many members will sign up to them.

6.43 pm

Chris Ruane (Vale of Clwyd) (Lab): I pay tribute to my hon. Friend the Member for Livingston (Mr. Devine), who achieved a good balance between a moving maiden speech and a very funny maiden speech.

I welcome the Bill. It is a good measure that achieves the right balance between widening participation and securing the vote. Before the Bill was published, I felt that there was a danger of over-emphasis being placed on securing the vote. I am pleased that that is not the case. Newspapers were full of articles about postal ballot fraud and Ministers were questioned at the Dispatch Box on the issue of electoral fraud. Of course, electoral fraud, including postal ballot fraud, is a serious issue, but we must have regard to the statistics. I tabled a written question, No. 10802, on 14 July. I asked the Minister how many successful prosecutions there had been for postal ballot fraud, at parliamentary and local government level, over recent years. I was told that there had been none at parliamentary level and about one or two a year for local government elections.

Surely the greater evil is to have 3 million to 4 million missing or unregistered electors—figures revealed by the Electoral Commission in September. I welcome the commission's research. If I have any criticism of it, it is that the research was not conducted three or four years ago when many Members, certainly on the Government Benches, were raising concerns about under-registration. Had that research taken place at that time, perhaps the newspapers would have been full of what I say is a greater injustice—3 million to 4 million missing electors.

Mr. Love: Does my hon. Friend agree that it is disappointing that the commission has not made any recommendations to increase electoral registration? It has focused almost entirely on individual registration, to the detriment of the situation that he is describing.

Chris Ruane: My hon. Friend makes an excellent point, and one to which I am coming.

The research undertaken by the commission revealed—I think that my right hon. and learned Friend referred to this in her opening remarks—the profile of unregistered electors. They are unemployed, low paid, young and living in rented accommodation. In the words of my right hon. and learned Friend, they are the most disengaged of our electorate.

If proposals for a single signature for each elector had been adopted, the number of unregistered voters could have doubled to 7 million to 8 million, compared with 3 million to 4 million. When a single signature for each elector was adopted in Northern Ireland, there was a fall in the number of electors of about 10 per cent. To have 7 million to 8 million voters missing from the register is not the way that a western democracy should function.

I asked my right hon. and learned Friend what the Electoral Commission had predicted if a single signature system were to be introduced in this country. I was horrified by her answer, which came from the Speaker's

[Chris Ruane]

Committee on the Electoral Commission. The commission stated that it had not undertaken any detailed research into the likely impact of the introduction of full individual registration in Great Britain on the levels of voter registration. The commission advises that such research would involve making a number of speculative assumptions and would thus be open to a significant margin of error. I am horrified that no research has been undertaken and that no predictions have been made. Serious action should be taken by the Government.

Mark Tami: Does my hon. Friend agree that it is the role of the state to get people on to the register and that we should do as much as we can to achieve that? It is not for individual authorities or whatever to get people on to the register; it is the role of the Government and the state to encourage people to take part in the democratic process.

Chris Ruane: I agree entirely with my hon. Friend.

I hope that my right hon. and learned Friend will not rush headlong into single signature registration. I trust that she will give the matter careful thought. If pilots are to take place, I make the specific request that there should be no priority until we have those 3 million to 4 million people back on the register. Without that there will not be true piloting. We are talking of the people who are most likely to stay off the register if there is a single signature system.

I shall make some suggestions for consideration by my right hon. and learned Friend. I welcome her open approach, which means that she is prepared to consider views expressed by right hon. and hon. Members on both sides of the House, provided that they are reasoned and backed by statistical data.

Having tabled dozens, if not hundreds, of written questions on electoral registration, it is obvious that not enough information is collected centrally by my right hon. and learned Friend's Department. The Bill will go some way towards addressing that. Ministers do not know, for example, how much is spent by each local authority. I want to sing the praises of the National Assembly for Wales. I asked my Assembly colleague, Ann Jones, if she would ask her Minister how much was spent by each county in Wales per elector on registration, and I would ask mine how much was spent by each county in England. Her question was answered fully by the Assembly, but the response from my Minister was that the information was not collected centrally.

Mr. Binley: No work is being done on the competency or professionalism of registration staff. Does the hon. Gentleman agree that that needs addressing, too?

Chris Ruane: I echo those thoughts. The status of electoral registration officers should be recognised. Their pay and training should be increased because they are doing a great job in difficult circumstances. They take the blame for inefficiency and under-registration, yet that is often the fault of the local authority for not assigning enough finance in the first place.

Mark Tami: There are contrasting approaches to registration. In north Wales, I receive one letter a year about registration, whereas in London I receive three, as well as someone coming to my door. We need a more uniform approach to encourage people to register, and many local authorities could do much more.

Chris Ruane: I concur with my hon. Friend.

The Minister referred to minimum standards. May I respectfully ask that minimum standards be high, transparent and readily understood by elected representatives and the public? Local authority electoral administrative performance should be made available to MPs and the public and should be in league table format. Successful electoral registration officers and departments should be recognised, while there should be sanctions against failing authorities and departments. There should either be financial sanctions or responsibility should be handed over to a more successful neighbouring authority or an outside agency. Democracy is too important to be left to a council with a devil-may-care attitude to the basic building block of all elections, be they local, national or European—the electoral register.

Kelvin Hopkins (Luton, North) (Lab): I appreciate my hon. Friend's point that electoral registration officers should measure up and perform well, but given the profile of the people missing from the register is it not likely that those in areas where there are larger numbers of students and poor people will suffer discrimination? We should compare like with like.

Chris Ruane: I shall shortly be coming to the question of student registration.

Clear direction should be given about the use of door-to-door canvassing, which was widely and successfully used in the past. The practice has diminished over recent years, mainly on cost grounds, but electoral registration officers should be given specific instructions to use door-to-door canvassing. Whether it is at the end of the process, after the initial letter has gone out, the reminders have been sent or telephone calls have been made, we need to knock on doors to ensure that we maximise registration. The report by the Office for National Statistics on conducting the canvass strongly suggests that at some stage in the process personal contact must be made with householders to maximise response rates.

Electoral registration could be dramatically improved if all EROs and electoral administration departments fully utilised current powers, which were given to them in the Representation of the People Act 2000. However, if I were to ask how many electoral administration departments were using those powers, I am sure that I would be told that the information is not collected centrally. Using existing powers could make a big difference.

New computer programmes also offer opportunities. Local land and property gazettes give a unique property reference number to each building, each floor in a

building and each living unit on that floor. Such 21st century information systems could offer a full picture of every house, home or living unit in a county or constituency. It would be of particular use to me in my constituency where there are about 1,500 houses in multiple occupation. If we knew where each living unit was, we would have a greater chance of knowing who lived there.

Local authorities should also co-operate with the Royal Mail, which keeps a comprehensive list of properties. They should have the power to ask for information from owners of HMOs and caravan sites and from social landlords to help them to compile the register. Such powers should be used fully. The right and responsibility of EROs to consult local government databases, which was established in 2001, is the key to finding most of the information necessary for a full register. For example, education departments could furnish the ERO with the names and addresses of further and higher education students and sixth-formers. Social services departments could furnish information about residential and nursing homes, people receiving home help and attendance allowance, and vulnerable young adults. Housing departments have a treasure trove of information about council tenants and people on housing benefit. Environment or public protection departments will have details about HMOs. EROs should also have the right to consult letting agents and social landlords. The means are already in place, but they need careful monitoring. If all my proposals were carried out we could obtain most of the required information. My question to the Minister is: are those powers used? I do not think that they are, otherwise about 4 million people would not be missing from the electoral register.

I urge the Minister to go further and push for secondary legislation to allow EROs to access central Government databases. If a majority of unregistered people are unemployed, why not use unemployment registers to find out where they are? If a majority are on low pay, why not use the tax credit registers to find out where they are? We should not wait another two or three years to see whether the current proposals are embedded. We should act now.

I welcome the Bill's proposals and I am pleased that the Minister has welcomed suggestions to improve security and widen participation. If we act co-operatively and collegiately and make our best suggestions, the Minister will take them up and democracy will be the better for it.

6.58 pm

Mr. Andrew Tyrie (Chichester) (Con): I get the impression that the Government came to power full of great ideas for reforming and improving the electoral system, but so far there has not been much progress—or at least only in limited areas.

The Government have already introduced two major changes to the electoral system and the Bill will bring a third. The first change was the introduction of rolling registration, which as far as we can tell has gone reasonably well, although people have said that it may enable bogus voters to stay on the register indefinitely.

The second change was the relaxation of access to postal voting, which was a disaster. The details of the Birmingham case and everything that accompanied it—the so-called warehousing problems—need not detain us. The hon. Member for Somerton and Frome (Mr. Heath) read part of the judgment and it was absolutely right, as was the judge. The Government and the Electoral Commission between them really mucked it up. They failed the first and overriding test of any reform in this field—to maintain confidence in the system.

The credibility of the electoral system has taken a severe knock among a large section of the electorate. It is paramount in any democracy that people should believe that the electoral system is fair and acceptable and not subject to fraud. The Government make a number of proposals in the Bill to try to prevent such things from happening again. One proposal is to create a new offence of falsely applying for a postal vote. I am no lawyer, but I am not yet convinced of the need for that offence. The people who engaged in the so-called warehousing in Birmingham knew very well that they were committing an offence. The new offence seems to have the smell of "display purpose only" legislation, of which we have had so much in the past few years, adding to the statute book but perhaps not to the effectiveness of the law.

Of course the third major change to registration, which is a major part of the Bill, is the switch from household to individual registration. Frankly, I cannot tell whether the Government intend to introduce personal identifiers and keep the household system going, or whether they really intend to move to a truly individual registration system eventually. I was still not clear on that, even after the Minister had introduced the Bill. What is worse is that the Government clearly want one thing, a halfway house, while the Electoral Commission wants another—it wants the Bill to go the whole hog right at the start. I certainly have the impression that the Government are dragging their feet on the Electoral Commission's original proposals.

I am sceptical that the integrity of the electoral system will be seen to improve much with the Government's halfway house. I would not have rushed to adopt individual registration, but I am beginning to warm to it now that I have heard the argument tonight. The Electoral Commission, of course, wants a truly individual registration system. It believes that such a system is now a vital part of restoring credibility in the system after the postal voting farrago. Sam Younger makes that clear in the briefing letter that, I think, was sent to all MPs, when he says, "Without individual registration", by which he means the fully fledged system,

"it is hard to see how the very real concerns . . . about the security of the postal voting system can be properly addressed."

We have had an experiment with postal voting. It has gone wrong, and to patch it up we are about to embark on another experiment, with the Electoral Commission pulling one way and the Government another. The fact they are already arguing about that pretty much in public does not make me very optimistic about success.

Why do we need to take such risks with something as important as the credibility of the electoral system, which was already working reasonably well before the reforms began? We have heard some of the answers from those on the Front Bench. Of course, the main answer given is that a good number of people—in particular, the Government—convinced themselves that the old system was not working.

[Mr. Andrew Tyrie]

Whenever we have these debates we tend to hear a lot about how voter participation is in sharp decline, about fears of voter apathy and, as a consequence, of great dangers to democracy and the like. Of course our system is imperfect, but as I have already intimated, the greater risk may lie with half-baked changes that can further erode the electorate's confidence in the system. In any case, I am not convinced that the electoral system is in such a terrible mess. I think that the doomsters have largely got it wrong.

No amount of meddling with the electoral system will dramatically increase turnout. That will come when the electorate go into an election very uncertain of the result. I do not think that they did so at the last election, and they certainly did not in the 2001 election when the turnout was very low. When the outcome was uncertain and two parties were arguing vigorously, with very different policy stances, we had one of the highest turnouts ever seen in this country, as recently as 1992. I do not think that the country has suddenly gone into a paroxysm of apathy since then, and the case is greatly overstated that voter apathy and problems of participation have increased massively—but perhaps we should debate that wider issue more deeply another day.

Wherever the Government have introduced such proposals, whenever they have travelled down the road of electoral reform, we seem to be given further evidence of the law of unintended consequences, and I fear that the Bill will be more of the same.—*[Interruption.]* The Minister is saying something from a sedentary position that I cannot hear, I am afraid. She is welcome to intervene if she wants to.

Ms Harman: The hon. Gentleman says that there are unintended consequences when the Government take action, and I was simply muttering—my apologies for doing so—that that is why we want to pilot the introduction of individual identifiers, not rush into things wholesale, thus causing what happened in Northern Ireland, where we had to legislate and then legislate again to deal with the problems that we created in the first bit of legislation.

Mr. Tyrie: The Minister may have a point, judging by what happened with the unintended consequences of another aspect of the Representation of the People Act 2000. I am sure that she did not intend to disfranchise a large proportion of service personnel at the last election, but that was the effect of the legislation. It is a scandal that we have been sending troops to Iraq to help to build a democracy while making it so difficult for them to vote in the last general election. A very large proportion of them almost certainly did not vote. It is disgraceful that when I warned the Government about that in late 2004, on the basis of evidence that I had gleaned from my constituency, they did virtually nothing about it. Equally disgraceful has been the Government's response since then. I can find nothing in the Bill to suggest that they will tackle the problem.

In the Constitutional Affairs Committee last week, I secured the Lord Chancellor's agreement—it is fairer to say that I wrung agreement from him—to produce a thorough report on how the problem arose and what the Government intend to do about it. If we are to avoid more delay in finding a solution, we need several things. First—I hope that the Minister will say that she agrees to this—we need a survey of servicemen to be undertaken to establish how many of them were disfranchised. We need not survey all this country's servicemen; we need to pick a group and conduct an intelligent survey.

Ms Harman *indicated assent.*

Mr. Tyrie: I am grateful to the Minister for her nod of assent.

Secondly, we need a careful examination of what action the Government took after they were warned in 2004, before the general election. Thirdly, we need the Government's proposals on how to ensure that such things never happen again. The third requirement can be met only if we have accurate information on the first and second.

Finding a solution will not be complicated. All that the Government need do—certainly for the next election, while they consider longer-term reform—is restore the old service voter registration scheme. That would do the job in one jump. Incidentally, I also alerted the Electoral Commission to those problems in 2004, and I regret to say that it was also breathtaking in the complacency of its response. After a number of inconclusive exchanges with Sam Younger, its chairman, requesting that he take action, he finally sent me a letter on 6 December, and I shall just read a small section of that extraordinary reply, where he said:

"We will certainly look at the possibility of producing a leaflet aimed at service personnel when we plan for the next canvass to be held in late 2005"—

after the likely date of the general election.

The Electoral Commission and the Government are full of grand schemes and noble projects, many of them costly, to improve voter registration and participation. I really wonder whether we would not now do better just to stick to basics. For example, let us ensure that 250,000 service personnel get the vote at the next election. Let us take fewer risks with postal voting. We have made quite a mess of it in the last few years; we now need to avoid further mistakes that could further erode the credibility of our electoral system. We have had more than three quarters of a century of electoral registration with a full franchise, and we have not done so badly. A note of caution is required now.

7.9 pm

Mr. Andrew Love (Edmonton) (Lab/Co-op): Like other hon. Members, I begin by paying a warm tribute to my hon. Friend the new Member for Livingston (Mr. Devine), who is not in his seat at present. He gave a very good account of himself this evening.

The Bill is important not least because it begins to deal with legislation that dates back to as early as 1872. I hope that it will bring it up to 21st century standards, but I want to focus on my experience in a London constituency. At the general election, I went down streets in my constituency where one in every two households had no one on the register. There were polling districts in which 30 per cent. of the electorate were missing from the register. We have a registration crisis, especially in London, although the problem exists

all over the country. Between 3.5 million and 4 million electors are missing nationally—between 8 and 9 per cent. of the electorate.

House of Commons researchers estimate that, in 2001, 5,400 electors were missing from the register in my constituency, but that by 2004 another 3,500 could have been added to the total. A comparison of the electoral register for 2003 with census figures for 2001 shows that 9,600 people were missing from the register. As I said, 21 out of the 25 constituencies with the most people missing from the register are in Greater London. The crisis in registration must be a priority, especially for the Bill.

Sadly, I do not think that the problem has been shared with the Electoral Commission. Although most of the Bill's provisions have resulted from various reports and research carried out by the Electoral Commission, little research has been done on registration itself. The focus of the commission's activities in recent months has been individual registration. We might want to move to individual registration, but we have limited experience of it so far. Much of our experience comes from Northern Ireland, where the proportion of the electorate on the register fell to 84 per cent. It was only when the electoral officer of Northern Ireland disagreed with the Electoral Commission that the figure was boosted to 94 per cent.

The thing that surprises me most is that of the duties that Parliament has asked the Electoral Commission to undertake on our behalf, its third is to encourage greater participation in elections. I know that a balance must be struck between individual registration and not erecting hurdles that will reduce registration, but I submit that the Electoral Commission has simply got its priorities wrong. We have a democratic deficit in this country stretching to 3.5 million electors—some 7,000 in my constituency, if we take that as the average figure—so we need to comment when the Electoral Commission, which is supposed to be accountable to Parliament, appears to ignore it. The Electoral Commission has a duty to report to Parliament through the Speaker's Committee, so I urge those who will next review its five-year plan to examine carefully whether the commission is getting its priorities right. I believe that if the commission were doing that, it would be paying far greater attention to the registration process and to how we can get more people on the register.

We could do several things to increase registration. Although I shall mention other matters, if we are honest about the balance of all the issues with which the Bill deals, registration must be our priority. First, electoral registration officers must have access to all information that can assist the registration process. In 2004, a statutory instrument was passed to help the process. It clarified the fact that officers may access registers for council tax, council rent and housing benefit, as is right and proper. However, my local electoral registration officer tells me that the information on local authority registers often does not give officers the precise information that would be of most benefit to them.

I suggest, therefore, that we consider extending the information available to electoral registration officers, much of which will be on national registers. For example, we could consider using information from the Driver and Vehicle Licensing Agency and the Land Registry. We could even—dare I say it?—use information from TV Licensing because we know that 98 per cent. of all households have a television. I understand that under data protection rules such information might not be made available, but we could use other mechanisms and work with those organisations to communicate to people the need for registration if they are to vote at local and general elections.

Secondly, we need a properly resourced electoral registration service. It was said earlier that we no longer see properly qualified electoral registration staff. Electoral registration staff in my local authority area, who have been working with the same funding for the past 10 years, carry out a canvass each year. Hon. Members will thus understand that the extent to which the canvass is comprehensive has declined somewhat over those 10 years. That is not the only problem, however, because under a process called adverse selection, canvassing takes place in areas where electoral registration is already high, but areas where registration is low are not canvassed. When one asks why, one is told that canvassers find it difficult to canvass in those areas. We must examine carefully the way in which registration is conducted.

The Electoral Commission has done a good job on this issue because it has researched the prevalence of non-registration. It has identified three groups in particular that do not register for elections, so with a bit of advice and support we could target those groups and get them on the register.

Thirdly, electoral registration departments almost always act on their own. They are almost always ignored by their local authorities and there is no national mechanism to bring them into any sort of process. Performance standards are an important mechanism through which the Electoral Commission can assure local people that their departments perform their functions properly, but we must also ensure that the departments are given the best advice. We should allow them to come together to talk about how that advice could be used throughout the country to improve the process. We must, of course, ensure that expenditure on electoral registration is transparent. The Bill will make additional money available for the electoral registration process, but I would like an assurance that it will get through to electoral registration officers because that has always been a problem.

I understand that I have only a few moments left in which to speak, but I want to comment on the important issues of corruption and individual registration. I certainly do not underestimate the need for change and greater security. It is clear that the greatest focus has been on personation and vote rigging. We heard earlier about the situation in Blackburn and Birmingham. Genuine difficulties must be addressed and we should not underestimate them. Labour Members have pointed out that the extent of electoral fraud is not as great as that which is sometimes reflected in our national media, but we should all be worried about any such fraud. However, the Bill addresses the issue, especially in postal voting, where most of the problems have arisen.

We must acknowledge the important contribution that postal voting has made to increasing participation in elections. At the 2005 general election, 12 per cent. of

[Mr. Andrew Love]

the electorate registered for postal votes, accounting for 14.5 per cent. of the votes that were cast. We certainly do not want to lose such an important contribution.

The Bill introduces four measures that will help to improve security. As has already been said, there is a new offence of falsely applying for a postal vote, which will deal with some of the problems that arose in Birmingham. The use of personal identifiers, particularly someone's signature, is important. Undue influence, a major factor in recent cases, will become an offence; as will providing false information. All those measures should satisfy people that we are beginning to make voting much more secure. I believe that surveys should be conducted as well, but overall the Bill is an excellent measure that should be warmly welcomed by the House.

7.21 pm

Peter Viggers (Gosport) (Con): May I explain the basis on which I seek to participate in this debate? The Electoral Commission was created as a free-standing body after 2000, but a means had to be found to control its strategic plans and budget. The Speaker's Committee was therefore instituted, and the commission is accountable to the House of Commons through an hon. Member—me—who answers written questions on the Electoral Commission. I answered one yesterday from the hon. Member for Vale of Clwyd (Chris Ruane) and, if he requires it, I am happy to provide him with clarification later. I also answer oral questions in the House once a month, and I try to be neutral and objective. I once said that I am merely a drone target against which colleagues can assay their shafts of wit and wisdom. I do not comment in the media on Electoral Commission issues because, given my efforts to be neutral and objective, it is not appropriate to do so. However, as the Bill will change fundamentally the Electoral Commission's structure and operational methods I thought it appropriate to seek neutrally to express its views on the measure.

The Electoral Commission welcomes the Bill, 80 per cent. of which derives from its proposals. Similarly, 80 per cent. of the commission's recommendations were accepted by the Government and are included in the Bill. The Electoral Commission welcomes the provisions to allow independent observers at elections and referendums for the first time; to reduce the minimum age of candidacy at all elections from 21 to 18; to enable people to register after an election has been called, up to 11 days before polling day; to enable electoral registration officers and returning officers actively to encourage participation in elections and referendums; to improve assistance for disabled voters and voters whose first language is not English; and to improve the nomination process with measures that include the standardisation of deposits and the lowering of the forfeiture threshold from 5 to 2 per cent. It welcomes provisions to reintroduce descriptions of independent candidates; to reduce the administrative burdens on political parties, candidates and others; to provide stronger deterrents against electoral fraud by introducing two new electoral offences; to increase the length of time available for the police to carry out investigations into electoral fraud; and to introduce performance standards for local authority electoral services.

The Electoral Commission broadly welcomes the Bill, for which it has been pressing, but there is pressure on the legislative process, as the Under-Secretary of State for Scotland will know better than anyone else in the House. He will agree that we must get the Bill right. It is the first national legislation to be introduced on the subject in five years, and there was a gap of 15 years separating the 2000 legislation from the preceding legislation. It is therefore likely that this is the last chance that we will have before the next general election to get electoral legislation correct.

The Minister of State spoke about fraud when she introduced the Bill. While the total amount of fraud is small, it has a disproportionate effect on people's trust and confidence in the system. The Electoral Commission's study of participation in the 2005 general election shows that for the first time more people rated the postal voting system as unsafe than safe, and were worried about incorrect registration and votes going astray. There is considerable concern about houses in multiple occupation, as residents are not all registered by the head of household—a dated concept in the 21st century. Who is the head of household in an HMO? The Electoral Commission believes that the system to register voters by the head of household is out of date and should be replaced with a full system of individual registration. Since 2003, it has consistently recommended replacing the current system of household registration with a system in which individuals register themselves to vote, providing personal identifiers at the same time. It believes that the household registration system is open to abuse and error. Individual registration would help to encourage a sense of personal involvement in the democratic process, and it would produce a more accurate electoral register while improving the security of the system, allowing people to participate with confidence.

In particular, a system of full individual registration would mean that at all stages of postal voting checks would be made against the personal identifiers on the register for each elector to ensure that only individuals who are entitled to do so can cast a vote by post. The commission has a two-fold difficulty with the Government's proposal to pilot the use of personal identifiers. First, outside the pilot areas, postal voting will still be available without an adequate system of security checks. Secondly, a proposal to pilot falls short of a commitment to implement the core recommendation for full individual registration throughout Great Britain, which the commission believes is right in principle as well as urgently needed to counter the risk of postal vote fraud. The Electoral Commission was created to advise on electoral matters, and I am pleased to have had the opportunity to put its advice on the parliamentary record.

7.27 pm

Mr. Roger Godsiff (Birmingham, Sparkbrook and Small Heath) (Lab): I generally welcome the Bill, but I am concerned about some provisions. I am pleased that the Government are moving towards individual registration through the use of personal identifiers. The use of an identifying signature is important, particularly

for postal voting. I am pleased that the Government are not rushing ahead with their proposals, and will use pilot schemes. They have been criticised, with some justification, for proceeding too fast in previous schemes, so it is right and proper that they are proceeding with their current proposals step by step. I welcome the fact that, for the first time, returning officers will be obliged to maintain a marked register of postal voters. Some Members have spoken about postal voting in Birmingham, but if the electoral registration officer there had not voluntarily maintained a marked register of postal votes, the fraud would not have come to light.

I am concerned about the proposal that independent candidates should be allowed six words to describe their stance. In Wales, such candidates can use Welsh. My constituency is multi-cultural and has a Muslim majority. Can such a description be given in Punjabi or Urdu? There will be provisions to prevent an abuse of the description, and a candidate may not use what is said to be a collective term. I can imagine that if, at the last general election, there had been the opportunity to use six words, candidates in certain constituencies would have described themselves as "supporter of anti-Iraq war campaign". I am not sure that is a good way of moving democracy forward.

The provision to reduce the threshold for the deposit to 2 per cent. is not a positive step. It will encourage publicity seekers. I know of many restaurant owners in the balti sector of my constituency who would happily pay £500 for the right to advertise themselves as the owner of such-and-such a restaurant in so-and-so road.

As regards independent observers in polling stations, I make the same point as I made before. I am not sure what their role will be, but it will be greatly diminished in a multicultural constituency such as mine if they cannot speak Urdu or Punjabi.

I return to the subject of campaigning outside polling stations, which I raised in the debate on the integrity of the electoral system on 22 June. I pointed out what occurs in the real world of my constituency and other multicultural constituencies. In the past, it was a convention among political parties and candidates that there would be no campaigning outside polling stations, loudspeaker vans would not be parked outside polling stations, loudspeakers would be turned off as soon as they got within the vicinity, the tellers taking numbers would exchange information among the various parties, and there would be a great deal of conviviality. That may still happen in some areas of the country, but it is certainly not what happens in inner-city Birmingham, and I suspect it is not what happens in a number of other multicultural inner-city areas.

On election day in Birmingham, people congregate at the entrance to polling stations. They hand out leaflets and give out a great deal of misinformation, particularly to voters whose first language is not English and for whom the number is more important than the name on the ballot paper. Over the course of the day, the numbers increase, so that by early evening there could be 50 or 60 people campaigning outside the polling station gates. In addition, there are cars parked outside polling stations or close by, with continuous messages being played in English, Punjabi and Urdu, so that people going to vote have to run a gauntlet of campaigners giving out leaflets, misinformation, peer pressure, and subliminal messages being churned out over and over again by loudspeaker vans.

When I highlighted the problem in the debate on 22 June, the Under-Secretary of State for Constitutional Affairs, who is not present, said that she appreciated what was said and that the Government "are genuinely consulting". I do not know what consultation has taken place, but there is nothing in the Bill that addresses the problem. It is not a problem that will go away; indeed, it will get worse. The police are placed in an impossible position. They know what is going on but they can do nothing about it. It is no good saying that section 115 of the Representation of the People Act 1983 covers the situation. It does not. That section refers to attempts to stop someone voting. The people who operate outside a polling station are not trying to stop people voting. They are trying to influence how they vote. The Bill does not deal with the issue.

Clause 37 has a stab at resolving the problem. It extends the current definition by making it an offence to attempt to prevent an elector from exercising the franchise, even if the attempt is unsuccessful. I do not know what that means. I say again that people do not stand around outside a polling station for hours on end in order to get a suntan. They stand there because they know of the influence that that can have on electors, particularly vulnerable electors whose main language is Urdu or Punjabi.

It could be said that the police should deal with the matter, but they have other rather important tasks. There is often a policeman inside a polling station, but not outside. The police do not have the resources. In any event, unless the policeman spoke Urdu or Punjabi, how on earth would he know if somebody was being threatened, intimidated or pressurised?

Hywel Williams (Caernarfon) (PC): We have a policeman who speaks Urdu.

Mr. Godsiff: I commend that policeman.

The way to resolve the problem is by not allowing campaigning within a certain proximity to polling stations. I do not see why the Government have not taken the issue on board and included such a measure in the Bill. It seems obvious that people want to be able to go and vote without pressure and in peace. We need to stop people congregating at the entrance to polling stations, and stop cars and loudspeaker vans being parked outside or close by and playing continuous messages all day. Not only is there no need for that, but they are there for only one purpose—to try and influence or put pressure on the people going in.

I do not understand why, in a Bill that is commendable overall, the Government are not prepared to bite the bullet and ban campaigning, handing out leaflets, playing messages on loudspeakers or indulging in other electoral activities within 100 or 150 yd of a polling station. If that were the case, the police would know what their position was and they would be able to take action. At present, they do not know and cannot act.

I hope the Minister who responds later and his colleagues will reconsider the Bill. The problems that I have described might apply only to certain parts of the

[Mr. Godsiff]

country—not his, perhaps, but certainly to my city and to the constituencies of other right hon. and hon. Members. There is one present, my hon. Friend the Member for Luton, North (Kelvin Hopkins), to whose city I can well imagine it applies. It is essential that the matter be dealt with now. If not, it will come back to haunt the Government. Next time we have a debate on electoral integrity, Birmingham may well come up again. I very much hope it will not, but if it does, I suspect that will be in the context of what has happened at a polling station in Birmingham where just the sort of practices that I have outlined tonight have, sadly, occurred.

7.39 pm

Hywel Williams (Caernarfon) (PC): The Scottish National party and Plaid Cymru offer a qualified welcome to this important Bill, which is a modest but useful step towards democratic renewal. My hon. Friends and I will not support the reasoned amendment, if it comes to a vote.

In Wales, there is a wealth of propositions on how to extend democracy. Some hon. Members will be familiar with the National Assembly for Wales White Paper, which, I hope, we will discuss later this year. At the last general election, turnout in Wales was slightly higher—a percentage point or two—than in England, which was certainly the case in my constituency, but that does not mean that we should become complacent about the problems that our electoral system faces.

As I have said, the SNP and Plaid Cymru welcome the Bill. In particular, we welcome the establishment of the co-ordinated on-line register of electors and clause 20, which will reduce the minimum age for standing for Parliament from 21 to 18. We also welcome the reduction in the threshold for losing a deposit from 5 per cent. to 2 per cent. That will not benefit my party hugely, and it will certainly not benefit the SNP, about which the research paper mentions a sum of £4,000. However, the political scene in Scotland and Wales includes a number of small but entirely legitimate political parties, which add to the variety of our democracy. They should be encouraged and, although they should not be encouraged enough to deprive any hon. Members of their seats, they should not be discouraged by a high threshold.

I draw hon. Members' attention to the interesting figures on lost deposits in the research paper. The figures include the British National party, which I vehemently oppose, but the parties that lost most were the Greens, which lost £65,500, and the UK Independence party, which lost £151,000. [HON. MEMBERS: "Hear, hear."] I hope that my party has largely replaced the Greens in Wales, and we have opposed UKIP vehemently, but such financial losses are a disincentive for those legitimate parties. For that reason, we welcome the reduction in the threshold.

Clause 63 is designed to encourage participation in elections. We welcome it, and it will probably form part of the Welsh legislation that I referred to earlier.

Clause 19 states that each community council in Wales will be a separate polling district, which is an important point. Particularly in rural areas of Wales, community councils form the architecture of people's understanding of electoral districts. In my constituency, we had 83 booths at the last election, and I am glad to say that I managed to visit them all on the day. Community councils are important because they are coherent to the local community and provide a local point of contact. As I have said, I welcome the fact that clause 19 states that each community council area will be a separate polling district.

Some hon. Members may think that my next point is of minor importance, but it has a specific Welsh interest and is certainly not minor in Wales. The hon. Member for Birmingham, Sparkbrook and Small Heath (Mr. Godsiff) has already mentioned the naming and description of parties, and clause 23 allows party titles in Wales to include up to six words of Welsh and six words of English.

Mr. Angus MacNeil (Na h-Eileanan an Iar) (SNP): My hon. Friend has mentioned the entitlement to the use of Welsh in Wales. I wonder whether the Minister thinks it equitable to give Scottish Gaelic the same status in Scotland for elections, and perhaps Ulster Scots and Irish Gaelic should have the same status in the north of Ireland. That would represent, recognise and understand the indigenous languages of the United Kingdom—I make a particular plea for Scottish Gaelic, as a native Gaelic speaker.

Hywel Williams: I thank my hon. Friend for making that point, which I shall address in a moment.

The allowance includes six words in Welsh and six words in English. My compatriots have a reputation for being verbose and using three words where one word will do in English, and the extra space recognises the reality and the normality in Wales of bilingualism. Again, I am not speaking only on behalf of my party. In Welsh, my party's title is Plaid Cymru, and in English it is the party of Wales, which makes six words, so we do not require 12 words. The Conservative party is Y Blaid Geidwadol, which again makes six words. However, the Wales Labour party is Y Blaid Lafur Gymreig, which makes eight words, and the Liberal Democrat party is Y Blaid Ryddfrydol Democrataidd. The Bill will allow those two parties to print their full titles in both Welsh and English, which is welcome.

My hon. Friend the Member for Na h-Eileanan an Iar (Mr. MacNeil) has referred to the situation in Scotland, which the Bill does not specifically address. The legal status of Scots Gaelic requires an amendment to the Bill, and perhaps we will table such an amendment later in the parliamentary process. I would not dare to speak for Ulster Members, but the recent welcome encouragement for Ulster Scots might call for the extension of the facility to the north of Ireland. Although that point has a particular local character, it is serious. I regret the fact that the good practice on bilingualism in Wales is not replicated elsewhere in the Bill. The Bill contains provisions relating to languages other than English, but perhaps the Government will consider that particular point on the descriptions.

I want to make one more point about language, which concerns the term annibynnwr, or independent. I have no truck with political correctness, but there are people who would contend that annibynnwr is gender specific.

It means "the independent man" rather than "the independent person"—annibynwraig refers to an independent woman. The situation could be easily resolved by the use of the adjectival form annibynnol, which avoids the gender issue, and I commend that construction to the Government.

In Wales, annibynnwr is likely to be associated in the public mind not with an independent member of a council, or, for that matter, an independent Member of the House of Commons, but with a member of the Union of Welsh Independents. In my part of Wales, the Presbyterian Church of Wales predominates—I am a Calvinistic Methodist—and in more sectarian times the term Annibynnwr had a more unkind usage. As a child, I remember reciting:

"Methodistiaid eistedd lawr

Annibynnwyr ar y llawr".

Freely translated, it means that the Methodists have the pews and the Independents have to sit on the floor, to which the Independents would sometimes reply:

"Annibynnwyr eistedd lawr

Methodistiaid ar y llawr",

which suggests that Methodists should sit on the floor. That is a digression, but the link between annibynnwr and a particular sect should be avoided, so I commend the word, "annibynnol" to the Government.

Finally, Plaid Cymru and, I assume, the SNP call for greater transparency in the funding of political campaigns in Wales. I want to see clearer enforcement of the use of accounting units. That point does not specifically affect my party, because we campaign only in Wales. However, other parties campaign in Wales and across the UK, and there is a temptation—I will only call it that—to spend campaign money in Wales but account for it elsewhere. I hope not. Surely the enforcement of clearer accounting units would deal with that. Greater accuracy and transparency can only be good for the political process in Wales.

Individual registration has been mentioned by several hon. Members, notably the hon. Member for Gosport (Peter Viggers). I note my party's support for the Electoral Commission's standpoint; we would want individual registration to be introduced as soon as possible.

7.50 pm

Julie Morgan (Cardiff, North) (Lab): Thank you, Mr. Deputy Speaker, for giving me the opportunity to speak in this important debate. It is a great pleasure to follow the hon. Member for Caernarfon (Hywel Williams). I appreciated his in-depth description of the Welsh language terms that we use in Wales.

I welcome the Bill. I am anxious that the fear of fraud does not overwhelm its other objectives, which are access to voting for all and the highest possible turnout, and I congratulate the Minister of State on the efforts that she has made to try to strike that balance. In my constituency, the turnout was 70 per cent. at the last election; that is a good turnout and one of the best in Wales. When I was first elected in 1997, the turnout was 80 per cent. I think that that 10 per cent. drop is echoed in most constituencies. It is therefore important that we do all that we possibly can to encourage people to vote, and I welcome the parts of the Bill that apply to that.

The electoral registration officer in Cardiff has always had a good record in getting as many people as possible on to the register. During the last election campaign, when we called on houses in multiple occupation I was struck by the fact that the individuals who were there matched the people who were supposed to be living in the household. My hon. Friend the Member for Rhondda (Chris Bryant), who knocked on many of those doors with me, will agree that it was a very good register. I welcome the extra powers that the officer will have as a result of the Bill.

However, I am worried about certain aspects of the Bill, including the proposals on individual registration. I accept that the term "head of the household" is outdated, and it is unfortunate that it is used, but moving to an individual registration system could have a detrimental effect on the number of people on the register. Young people, particularly students and those living in houses in multiple occupation, may miss out when the so-called head of the household registers the whole family. We must be careful in moving down this track. Although ideally it is probably the best solution, in practice it may mean that we lose many more people from the electoral register. My hon. Friend the Member for Vale of Clwyd (Chris Ruane) mentioned the millions who are already missing, and we must bear that in mind. I am glad that the Government are approaching this cautiously by carrying out pilots, and I hope that they will monitor them carefully.

I am pleased that electors will be able to register to vote much nearer to the day of the election, but I am concerned about changing the deadline for applications for postal votes from six to 11 days. I understand the reasoning behind that—it gives more time to check that fraud does not take place—but there is a danger that lots of people may lose their vote. For example, how would somebody who was admitted to hospital at the last minute get an emergency postal vote? In the 11 days before the last vote, there were numerous examples in my constituency of people phoning up wanting to get an emergency postal vote because of illness. Can anything be done about that?

Given the huge advances in technology, it seems wrong that 11 days are required to process a postal vote. Surely there must be a quicker way of doing it while ensuring the safety of the vote. We should not cut out those people who need postal votes at the last minute for reasons beyond their control. I am pleased that the Government are supporting postal voting, which has extended the franchise and improved people's participation enormously. The nature of people's families today, and the number of people who have caring responsibilities, not only for children but for elderly people, makes it essential to have a postal voting system, and I am pleased that the Minister has said that that option will always be available.

I should like at this point to pay tribute to someone in my constituency, Wendy Laing, who worked tirelessly to encourage people to vote and who sadly died earlier this month.

I am concerned about a couple of issues that arise when electors have to sign for their ballot paper at the polling station. I am sure that other Members have experienced the situation whereby at some point in the day there is a huge rush of people wanting to get in and vote. Has the Minister thought about the practical

[Julie Morgan]

implications of having to sign for one's ballot paper at the same time as one goes in to vote? The only purpose of signing for one's ballot paper is so that it can be checked if there is a query, and that depends on having individual signatures at the time of registration. We have to try to make the system simpler. During my last count, an hour was spent poring over hundreds of votes because the marks were not clear. Torches were sent for and the ballot papers were held up to the light—at the request of my opponent's agent, I might say—to establish that the votes were legitimate. The hour while those votes were studied was very frustrating, and it seemed to me that there should be a system that would do away with such a situation.

Another concern regarding signing for the ballot paper is the possibility that electors might feel that there is some doubt about the secrecy of the ballot paper if they have to sign for it first.

What will be the position of somebody who cannot read and write, as a significant number of adults cannot, when they go to vote? If we are able to encourage them to go to vote—I accept that many of them may not do so—what can we do to give them privacy so that they are not embarrassed about the fact that they cannot find their name? I have had the experience of trying to encourage such people to vote and trying to explain how the ballot paper will look and that one need only put a cross on it where one wishes. I am sure that people from all parties have been through that process. If we say to them as soon as they get there, "You've got to publicly sign for your ballot paper", that might discourage one of the more disadvantaged groups in our society from playing their part in the democratic process. They should not be put off by the fact that they cannot read or write. I hope that the Minister will think about the implications of that.

I welcome the steps to improve access, particularly taking children into polling stations and the voting booth so that they can learn the habit of voting early on, because there is a danger that they may never get into that habit. I know canvassers who have gone into houses to sit with children while their parents are driven to vote and others who have looked after children in a car while their parents voted. The proposal is therefore eminently sensible and will be good for children and democracy.

I welcome the opportunity that the Bill provides to tackle many of the barriers facing disabled people when they register to vote, especially the introduction of a system that enables the maximum number of disabled people to vote unaided and in privacy. As was said earlier, disabled people expect to have the same range of places in which to vote as able-bodied people. They need to be able to go into the polling station as well as to get a postal vote.

Other steps, which are not included in the Bill, should be taken to increase participation. I support many of the proposals that have been mentioned for increasing the number of people on the electoral register. I believe that the voting age should be lowered to 16 so that people get into the habit of voting when they are young and still in school, where they can discuss the issues in a group. I hope that voting young would set a voting pattern for them for the rest of their lives.

I believe that voting in Westminster elections should be more proportional so that electors feel that their votes count. Again, that would help to increase participation. I do not support compulsory voting. It is up to us as politicians to make electors believe that there is a reason to vote. That, too, would increase participation.

We can do many things to increase participation but one of the most important is making our politics relevant to people. We can do many things in the House, through the way in which we operate and practise politics in our day-to-day work to try to reach out to people. That is as important as all the issues that the Bill covers.

8.1 pm

Mr. Peter Robinson (Belfast, East) (DUP): I suspect that we are discussing a subject about which all hon. Members believe themselves to be experts. We all have our experiences of it. I have been a candidate in 21 elections and successful in 20—such is the life of a politician in Northern Ireland. I have participated in elections under three different voting systems and witnessed numerous changes in electoral law.

I broadly welcome the Government's intentions in the Bill but, like many others, I believe that it is too modest by far and that they will be forced to revisit some of the issues before too long. I join other hon. Members in welcoming the role that the Electoral Commission will play. It has played a significant role in Northern Ireland. Its contribution, not least in funding for political parties' policy development, has been especially helpful for the smaller parties in the United Kingdom. The Electoral Commission plays a complementary role to the Electoral Office for Northern Ireland. The whole of Northern Ireland is under one electoral officer and his staff.

Like several hon. Members, I feel strongly that good registration is the key to the Bill's three main purposes. I fear that the Electoral Office for Northern Ireland is not properly resourced to do the job that it needs to do. Many of us have experiences of forms that are sent out but never followed up. If a form is not returned, all too often, the Electoral Office makes no second attempt to get it. It is a matter of the resources that are available to it and the staff whom it can employ for that purpose. Significant work needs to be done on that.

As I see it, the Bill's three main purposes are: access to voting for all; the highest possible turnout, and the lowest possible fraud. As I said in an earlier intervention, those can be competing aims. The aspiration for a more accurate and fuller register is one aspect that the three purposes have in common but many other facets constitute competing aims.

In Northern Ireland, we are, ironically, at a more advanced stage because of the high level of voting fraud. Full details can be found in the report on this subject by the Select Committee on Northern Ireland Affairs. Northern Ireland formerly experienced voter fraud on a massive scale, constituting systematic abuse of the electoral system, which ultimately led to the Electoral Fraud (Northern Ireland) Act 2002. Most of us who witnessed the resultant elections believe that, although there may be some outstanding issues, especially in relation to postal voting, the legislation has broken the

back of electoral fraud in Northern Ireland. I therefore say to those who experience similar circumstances to those that existed in Northern Ireland, that I perceive the 2002 Act as at least part of the remedy to the problems. However, ultimately, hon. Members will have to gauge the extent to which electoral fraud is a problem in Britain and decide whether they need to look to the remedies that were used in Northern Ireland.

Lessons can be learned from our experience in Northern Ireland. Fraud, even on a small scale, can change the outcome of elections.

Kelvin Hopkins: Changing the law on fraud appears to have had a political impact in Northern Ireland in that the hon. Gentleman's party has done rather better than in previous elections. Was the Act significant in that respect?

Mr. Robinson: The rise of Democratic Unionist party was irresistible and, no matter what the voting system or the electoral law, the party would, like the cream, have come to the top.

A significant number of people who were previously on the electoral register were removed from it at the time of the new registration and the personal identifiers. The bulk of those who were removed should not have been on the electoral register; they had registered more than once. As has been said, when subsequent registrations took place, there was a further significant fall in the number of people registered. I do not blame that on the 2002 Act, except for the requirement for an annual return of the registration form. The Government properly took steps to change that. I believe that that will steady the numbers on the register.

It is one thing to fill out a detailed electoral registration form to include, for example, a national insurance number. Some of the anxieties that have been expressed in the Chamber about the introduction of the national insurance number as an identifier are unfounded. That has not been a problem in Northern Ireland and it has assisted in reducing fraud. I accept colleagues' value judgment about whether they believe that the problem is so great that they need to introduce that personal identifier, but I believe that most people can be expected to cope with its introduction and that of the signature, the date of birth and other elements on the form every three or four years. However, the number of people who register will decrease if they are expected to do it every year, especially in years when they do not expect an election. In Northern Ireland, one can never be sure whether an election will come along, and people can easily get caught out. But if the register could be improved by better work being done at the Electoral Office, that could offset some of the losses that undoubtedly occur if we make it more difficult for people to register by increasing the amount of work that they have to do.

The Bill also contains a proposal to move the deadline for registration closer to the date of an election. I note, however, that Northern Ireland would be exempt from that measure. Can we have an explanation as to why that should be so?

Mr. Nigel Dodds (Belfast, North) (DUP): Does my hon. Friend agree that one way of finding out whether the level of registration is low is by canvassing during the election period? Therefore, the closer to the election that one can register, the better. It is amazing that this measure should not apply to Northern Ireland. It seems bizarre that it should apply elsewhere, but not to the Province.

Mr. Robinson: My hon. Friend makes a good point. Most of us recognise that, although we might like it to be different, most people out there do not live politics to the same extent that we do in the House. Most people discover that there is to be an election only when the television hype begins, and that is when they start to think about whether they are entitled to vote. The rest of the kingdom will enjoy the benefits that the Government have drafted in the Bill, and we should look again at the position in Northern Ireland. I recognise that the additional time required for security checks in relation to postal votes is such that we need to be careful about the cut-off date, but it is important that Northern Ireland should benefit as much as other parts of the United Kingdom in regard to registration.

My colleagues and I support the minimum age for candidacy being lowered from 21 years to 18, and we look forward to young colleagues joining us to reduce the average age in the House. The Liberal Democrats' desire to reduce the voting age to 16 is not one that I would support, however. That would not be a sensible step for the House to take.

Clause 57 relates to the protection of donors to political parties in Northern Ireland. Most of the parties are satisfied that we have not yet reached the stage at which it is safe to publish the names of such donors without their fearing that they might become a target because of their political views. My party has consistently put forward the view, however, that while we may not yet have reached that stage, there is no good reason why there should not be a requirement for Northern Ireland political parties to report to the commission the donations that they have received. That arrangement would fall short of what is happening elsewhere in the United Kingdom, but it would be an improvement on the present situation. There is sufficient trust in the commission to maintain that confidentiality for us to have a higher level of accountability without leaving the arrangement completely open-ended.

I have given a broad welcome to the Bill. I believe that there is value in having individual registration. That is the conclusion that comes from the Northern Ireland experience and it is the view of the Electoral Commission. I believe that, ultimately, the Government will be forced to go in that direction. Like many others, however, I fear that this will probably be the best opportunity for them to do it.

I have also read the reasoned amendment tabled by the Conservatives. As a general principle, my colleagues and I believe that if a piece of legislation is deficient, that in itself is no reason not to give it a Second Reading. It is, however, a very good reason to try to change it in Committee. There is sufficient good in the Bill to enable us to give it the benefit of the doubt on Second Reading, although we hope that it will be improved in Committee. Ultimately, we can also look at it again on Report and Third Reading.

8.15 pm

Mr. Clive Betts (Sheffield, Attercliffe) (Lab): In general, the Government are on the right road with this Bill, even if it has not quite got to the destination that I would like it to reach. I want to deal with the problems of under-registration and fraud. I was a member of the Joint Select Committee that produced the report on those issues earlier this year. There is no doubt that the present system produces results that are unfair and biased. They are biased against people who live in inner cities, against people who are black or Asian, against young people and against people who happen to live in houses of multiple occupation. That in itself should condemn the present system and we should do whatever we can to reform it.

The problems of fraud exist. They are not as widespread as some sections of the media would have us believe, but where they occur they are serious and we must deal with them. However, I do not believe that we should do that by going back to the old system of applying for postal votes, rather than allowing people to have them on demand. That would disfranchise an awful lot of people by making it more difficult for them to vote. Neither do I believe that we should have all-postal vote elections. People should have a choice between voting by post or in person, and that choice should be made easy by providing them with the opportunity to place a simple tick on the electoral registration form.

As a matter of principle, I favour the use of personal identifiers. I accept that we must get this right, so I support the pilot schemes that the Government are proposing. However, we must also make other fundamental changes to the system alongside the introduction personal identifiers. If we only introduced personal identifiers, that would simply reduce voter registration still further, which would exacerbate the problem even more.

The Opposition have talked about the accuracy of the register, and I accept that we need an accurate register in the sense that anyone who is not entitled to be on it should not be on it. However, there are two sides to that coin—it also has to be accurate in the sense that anyone who is entitled to be on it should be on it. We must get both those issues right.

I believe that eventually we will be able to move to a system involving a national register of residents that will transfer over to a voters' register with virtually complete accuracy. That is one of the reasons why I support the Government's proposals on ID cards. Such a system would provide the necessary proof of identity. It would also save money, in that the work that the electoral registration officers currently do would no longer be necessary. Before we get there, however, we have the opportunity to make some changes to the present system.

I accept that doing more canvassing might be beneficial, but it is not the only solution. Last year, before the Select Committee produced its report, members of the Select Committee on Office of the Deputy Prime Minister went to Australia to look at the system there. Australia claims to have a voter registration system that is 98 per cent. accurate. People there were incredulous when we told them that we wrote to every household every year, irrespective of whether the household had changed, and that we concentrated those efforts into a three or four-month period.

That does not happen in Australia, which relies on other organisations—such as the driving licence agency, local colleges, the post office and various utility companies—to give information to the electoral commissioners about changes in household information, such as whether someone had reached 18 years of age. The registration officers then chase up the people whose circumstances have changed and alter their position on the register accordingly. In other words, they concentrate throughout the year on the 15 or 20 per cent. of households that change each year, rather than writing to everyone over three or four months, irrespective of whether there had been any changes. That seems to be a much more sensible system.

We probably could not move to such a system all at once, and I note the comments of the Society of Local Authority Chief Executives—SOLACE—which would like us to move to a system under which information would come in from various sources and people's position on the register changed accordingly, without the need to send them a form. That might ultimately be the system that we need, and perhaps the Government should consider consulting on that sort of change in our arrangements. In the meantime, we can go some of the way, and I am pleased that the Bill does that.

I am pleased that clause 9 requires registration officers to take

"all steps that are necessary",

while clause 63 deals with encouraging electoral participation. There has been doubt among electoral registration officers about whether they have such powers and whether they could be accused of political bias if they went out to undertake electoral registration drives. This provision will remove that problem once and for all.

I am also pleased that clause 9 provides a right to inspect any records. We want to make it absolutely clear that that does not simply mean the records of the relevant local authority; it means the records of any local authority and of central Government, whether they be driving licences or TV licences, and so on. The provision goes beyond that to others, such as registered social landlords, arm's length management organisations, housing associations, the Post Office and private sector organisations such as utilities.

We ought to look very widely indeed to ensure that we can collect as much information as possible so that we get a very accurate database. Of course, we may need to undertake canvassing as a boost to that, to ensure its accuracy and to fill any gaps and loopholes. We can get a lot of the information that we need to establish a much more accurate register from all those other sources. Those organisations should not simply have to respond to a request for information from an electoral registration officer—they should have a duty to provide. We should consider how to frame such a provision so that the registration officer has a duty to get the information and the organisations have a duty to provide it.

As we move through the CORE system—co-ordinated online record of electors—to what is effectively a national register drawn up at local level,

registration officers should have a duty to pass on to other registration officers information about people who leave their areas, so that when people move house they transfer from one register to another. That is something else that we should consider building into the system. I am therefore very much in favour of the formulation of a national register, even if the work is done locally. The idea in clause 61 of having national standards is a very good one, as there are far too many different practices. I am generally a great supporter of letting local authorities get on with the job, but in this case we are dealing with a register that will form the base for voting at national elections, so we must have national standards.

In some authorities, but not in others, people are taken off the register if they do not return a form for two years in succession. In some authorities, people are taken off only if they cannot be cross-matched with the council tax register. We must put such examples in a national context so that the same situation is dealt with similarly in each electoral registration area. Westminster council has a system of producing poll cards when the register comes out in February, which gives people an indication of whether they are likely to be able to vote at the next election. That, again, is something we could consider for a national standard.

Clause 61 refers to the possibility of the Electoral Commission asking electoral registration officers locally to do returns on their performance at registration. We should consider making that an annual requirement. Every officer would have to produce an annual return on how well they think they are doing and what percentage of qualified people they think they are getting to register in their areas. There is an awful lot that we can do to build on the current system, but perhaps we should consult on even more fundamental change in the future.

Briefly, I want to pick up on the issue of extremist parties, as well as whether we are right to consider the issue of the level of the deposit or whether we might be better looking at the suggestion made by those on the Liberal Democrat Front Bench—I do not always agree with them—about the number of assenters on a form. There was a bad case in my constituency at a local election two or three years ago, where the British National party got people to sign up on false pretences. People thought that they were signing some sort of petition, only to find that they had signed the electoral registration form.

We might be able to deal with that issue. I understand that once the form has been accepted, it is not possible to cancel the candidacy, even if someone has persuaded people wrongly to assent to the form. Perhaps that is something else we can have a look at. We should consider whether assenters ought not to give their voter ID number when they do the assent, so that we would be quite clear about which people were assenting to which party—it would be more public if people did that.

To summarise, I believe that, ultimately, we have to have a very different way of formulating our election registers if we are to make them accurate and ensure that we have a proper democratic process in operation. The Bill will significantly improve the current system. There is an opportunity here, which I hope we pursue further to make even more improvements in Committee and on Report.

8.25 pm

Mr. Andrew Pelling (Croydon, Central) (Con): I am pleased to speak in the debate as I am such a heavy user of electoral registration officers' services, having run in three different elections—local, regional and national—over the past three years.

My hon. Friend the Member for Chichester (Mr. Tyrie) rightly emphasised the issue of credibility. Credibility is important when someone is running in a parliamentary seat where the majority is just 75 votes.

The issues that came up sporadically in my election included personation: people turned up at the polling station to find that they had already voted or to be told that they had been provided with a postal voting form, although they were not aware of it. That example emphasises the importance of creating such credibility. Although I am sure that the result of my election was accurate, I am concerned that the credibility of elections is being undermined in such a way.

The Minister, in introducing the debate, emphasised the importance of the legislation in the context of concerns about fraud in UK elections. Although some Members have suggested that the process of election is not one in which we face much fraudulent activity, it is worrying when the Electoral Reform Society says that there is significant fraud in UK elections. In those circumstances, the introduction of the legislation is welcome, but there are clearly real concerns, especially over how postal voting and all-postal voting elections have proceeded.

I took the opportunity to sit in on the appeal that Lord Justice Woolf heard on the grossly fraudulent behaviour in Blackburn. That emphasises the fact that we need work to be done now to provide confidence in our system of election. I am concerned that it is proposed that there should be pilot schemes only at this stage, because it strikes me that personal identifiers are common to many people in our community, who find themselves signing many different documents from day to day.

I welcome the Minister's comments on the provision of £17 million for resourcing the work of electoral registration officers because that is the best way to ensure that we have the best quality of electoral registration, rather than going through a pilot scheme process. I understand the concerns expressed about the tremendous shortfall in registration, which, as other Members have said, is a very important issue in London. In my constituency and the neighbouring constituency of Croydon, North, it appears that 17,000 eligible people have not found their way on to the register.

The Minister said that she was concerned about a tremendous fragmentation in registration in London. I was not entirely sure that I understood her point about the Mayor having some role in the process, because during Greater London authority elections he, or the GLA, is reliant on the work of the individual boroughs. Certainly, the Mayor must have a role in publicity and advertising the importance of registration ahead of the election, but what else might his role encompass?

I have noted the point about being able to secure postal votes only 11 days ahead of an election. While that is a positive step, we must also recognise that the huge spike in activity ahead of the election will put real stresses and strains on electoral registration officers.

[Mr. Andrew Pelling]

From my experience in the general election, I believe that we should also take cognisance of the fact that those postal votes find their way to electors very slowly, with the consequent problem of returning them in time. Extra emphasis must be put on effectively resourcing electoral registration officers.

Like other Conservative Members, I am worried about the proposal to reduce the rate at which deposits are lost. The hon. Member for Caernarfon (Hywel Williams) provided us with the useful information that the UK Independence party might benefit most from that proposal. I hope that the Government have not been motivated by a desire to cause even more consternation among Conservatives about being undermined by a party slightly to the right of us.

I am interested in the Bill's proposal to allow for a proper following-up of election expenses up to four months ahead of the election. It is a worthy proposal. When I joined colleagues on a visit to the US, the US politicians to whom I spoke were surprised to find that, in theory, we could spend as much as we wanted until a few weeks before the election. The proposal is important and I hope that there will be a practical means of ensuring an increase in the very low level of expenses allowed if the period is extended to four months. I will be interested to hear an explanation of how that will work when the timing of general elections is less certain.

Sir Robert Smith (West Aberdeenshire and Kincardine) (LD): I have never quite understood how this country, without fixed-term Parliaments, can have a period running up to an election when only the Prime Minister has the faintest idea of when he plans to call that election. How will we know whether we will be caught by the four-month period until after the fact?

Mr. Pelling: I am grateful for that point, although I appreciate that the Liberal Democrats are very much in favour of fixed-term Parliaments. When the Minister winds up, I shall be interested to hear how the process can work effectively.

Other Liberal Democrat Members referred to the comments of Richard Mawrey QC about the use of the postal vote system. One of his comments that was not reported earlier in the debate was:

"Short of writing 'Steal me' on the envelopes, it is hard to see what more could be done to ensure their coming into the wrong hands."

Many Conservative Members, as well as those in the other place, argued against the Government rushing into a large number of pilot schemes for all-postal voting. It is fair to say, however, that out of a desire to promote the maximum turnout in elections came a strong rush in the wrong direction. I very much hope that the Government will think again about the appropriateness of not moving much more quickly to a widespread use of personal identifiers.

I appreciate the view that it is important to encourage the greatest level of registration. I referred earlier to the significant shortfall in registration in my local borough of Croydon. I am sure that a large amount of that under-registration involves black and ethnic minority communities. It is therefore very important for the registration issue to be addressed.

Some will argue that they oppose personal identifiers because of the risk of depressing registration and, therefore, voter turnout. As the hon. Member for Livingston (Mr. Devine) said in his excellent maiden speech, however, it is also a case of politicians being straightforward with electors, and about the type of politics that they pursue. It is too easy for politicians to move into a process of false petitioning, or false consultation, and not to talk genuinely to residents and electors. It is clearly incumbent on politicians and the Government as a whole to ensure that it is indeed worthwhile for people to take part in elections, especially at local and regional level. It is often far too easy to agree with electors who say that it does not make much difference who is in control at local government level, given the increase in central Government powers over local government over the years. Another argument is that the London assembly has very few powers over the Mayor.

I feel that I must vote against this important proposal because of the weakness in regard to personal identifiers. I also feel that it is incumbent on us as politicians to make it worthwhile for our residents to be able to vote in elections.

8.36 pm

Ms Diana R. Johnson (Kingston upon Hull, North) (Lab): I am very pleased to be able to speak in the debate. The Bill contains many positive measures. Its aims are set out clearly: to make the registration process more accessible, to enhance the security of voting, and to improve the administration of the electoral system.

Like many other hon. Members, I am concerned about turnout, which in this year's general election was 61 per cent.—the third lowest since 1847, I understand. That is shocking. In my constituency, turnout was 48 per cent. I was quite pleased that it had increased a bit since 2001, but it is a poor figure nevertheless, and I shall do my best to encourage people to vote in the next general election.

As my hon. Friend the Member for Livingston (Mr. Devine) made clear in his maiden speech, turnout is an issue for all politicians. It is not an issue for a particular party or group of society; it is an issue for us all. I want to tell the House about a gentleman whom I met outside the polling station on 5 May. He rushed up to me and said that this was the first time he had voted in 25 years. I was with a colleague, who said to me "Gosh, that is very impressive. This guy has actually gone out to vote, having not voted for 25 years. It must be due to the strength of the political arguments."

I had met the gentleman the day before, when I was campaigning in Tesco. We had a long exchange. The gentleman was called Mr. Hirst. As many Members will know, Mr. Hirst was a prisoner who pursued a case against the Government to enforce his human right to vote. Earlier this year, following an appeal, the European Court of Human Rights upheld that human right. The Government are now considering their response to its decision. I think it is appropriate to give certain groups of prisoners the vote. I know that this is

not Government policy, but I personally believe that it is wrong to have a blanket approach. We had to change the law earlier to allow those on remand to vote.

I was glad that the Minister spoke about social exclusion, and the democratic deserts that exist in some parts of the country.

I strongly support some clauses of the Bill. I have a problem in my constituency: there are large gaps in my electoral register. I am very pleased, therefore, that electoral administrators will have a duty to produce a complete register, and will be able to look at information and data from other organisations. The chief executive of Kingston upon Hull city council wrote to me this week saying that the university in my constituency was not very keen to disclose information about students who had moved into the constituency. I hope that the Bill will enable my university and others to feel confident about sharing such information in future.

I am very pleased that the Bill encourages children to accompany parents and carers when they go to vote; that is a very good message to send to our young people. I also support the personal identifiers proposal. It is right and proper that we pilot that proposal, and I hope that it will be conducted regionally. We will get a much clearer view of how the proposal will work if the pilot includes inner cities and rural areas. I am deeply concerned, however, about the reduction of the deposit from 5 per cent. to 2 per cent. As others have said, such a reduction will benefit parties to which most Members will feel uncomfortable about giving any benefit, notably the British National party.

Clause 20 brings our law up to date from 1695, when the candidacy age of 21 was first set. I am very pleased that we are now lowering the age to 18, but there is an anomaly in the clause. There is a difference between parliamentary and local mayoral qualifying dates, and in the former case one must have attained the age of 18 on the date of nomination, rather than on the polling date. That anomaly needs to be sorted out. Our electoral law needs to be very straightforward and easy to understand, in order to encourage people to engage in the process.

I am very disappointed that the Government have not decided to lower the voting age to 16. As I said, the average turnout nationwide at the last general election was 61 per cent., but the average among 18 to 34-year-olds was 37 per cent. That is a real problem. For almost two decades, groups and organisations such as the British Youth Council, the Children's Rights Alliance for England and, more recently, the Youth Parliament, have sought to reduce the voting age to 16. There is cross-party support for such a provision, and I hope that the Government will consider introducing it. We should consider the participation rights set out in article 12 of the United Nations convention on the rights of the child, which the UK ratified in 1991.

I give five reasons why people should be able to vote at 16, the first of which concerns equality of expression. Not letting 16 and 17-year-olds express their political views through the ballot box gives the impression that we do not really care about what they have to say, and that their views are not valid. That clearly is not right. Sixteen and 17-year olds already play a very important part in their communities and in their work. The second reason is consistency. As we all know, 16-year-olds can pay taxes, join the Army, leave home, get married and claim social security benefits—so why should they not be allowed to vote?

The third reason concerns citizenship. The Labour Government introduced citizenship classes into secondary schools, so that all children up to the age of 16 can learn why citizenship is important and why they should have a role in the civic life of their community. It is therefore ridiculous that on reaching 16—just when we have learned why we should get involved in such matters—we have to wait two years to exercise our right to vote. The fourth reason concerns the moral right to vote. As politicians, we make decisions about young people all the time, and by not allowing them to express their views about us, we are doing them a great disservice. Here, we should also remember the principle of no taxation without representation.

I turn now to the question of raising turnout. When the Electoral Commission examined lowering the voting age to 16, it said that one problem is that if we did so it would reduce turnout even further. I have with me a report of a local election held in Vienna on Sunday, at which 16 and 17-year-olds were allowed to vote for the first time. The turnout of 16 and 17-year-olds was higher than that of other age groups, particularly 18 to 34-year-olds.

The Electoral Commission's report has been mentioned, but I believe that flawed information and evidence was used. The commission claimed to have received 1,000 individual responses and 6,500 group responses to its consultation on reducing the voting age to 16, which were two to one in favour of the age reduction. However, it was claimed that the views of those people were skewed because they were, by nature, a self-selecting group, but I think that that logic does not stand up to much examination. A pool of 234 young people was said to be divided on whether to have the vote at 16 and it was also claimed that turnout would go down if 16 and 17-year-olds were included in the voting.

Over recent years, many different organisations and projects have examined the issue and have taken into consideration much larger groups than the 234 young people to whom the Electoral Commission spoke. The "Why Vote-Why Not?" project of 2002 consulted more than 1,500 young people and the British Youth Council consultation in 2000 consulted 10,000. Save the Children UK consulted more than 500 young people in England in 1999 and the Children's Society carried out a research project in the same year.

If we are a modernising Government—as the present Labour Government have been in many ways—we should consider introducing an amendment to reduce the voting age to 16. Across the Floor of the House, any Member who considers themselves a constitutional moderniser—many hon. Members in their places today—should rally to the cause and support any appropriate amendments to that effect.

8.47 pm

Mr. Eric Pickles (Brentwood and Ongar) (Con): It is a particular pleasure to follow the hon. Member for Kingston upon Hull, North (Ms Johnson), as she and I were political opponents in the constituency of

[Mr. Eric Pickles]

Brentwood and Ongar in 2001. We have all had a glimpse today of how formidable a political opponent she can be, and I am sure that she will prove an enormous success in the House. She was very brave, furthermore, to take on the Government over giving the vote to prisoners.

I did not entirely follow the hon. Lady's logic over giving the vote to 16-year-olds. She seemed to say that people at 16 pay taxes, but so do some young people at 14 or even five, insofar as people with money to spend purchase items that are subject to value added tax. It seems an entirely phoney argument to me. It does not really matter whether it is 17 or 16, but there must be an age at which all the rights accrue. There cannot be a halfway house in which people get part rights and no responsibilities. Some young people are in the Army at 16, but they cannot stand on the front line. I find the idea of child soldiers at the front line repugnant and I do not like the idea of 16-year-olds entering into credit agreements. The argument is misplaced, but it was advanced powerfully.

I regret the way in which the debate has seemed to offer us two choices: individual registration or increasing the turnout. It seems somehow that if we opt for individual registration, we are sacrificing voter registration and turnout. I simply do not accept that, but I believe that we must do two important things.

First, the Bill must make the electoral system entirely proof from systematic and sustained fraud. Secondly, it must reassure the public that they can trust the electoral system. Members have referred to the MORI poll, which showed for the first time that people believe that it is now easier to commit electoral fraud and are concerned about it.

I have been involved in elections for nearly 40 years. In the past few years, people have become increasingly worried about the safety of our electoral system. My electoral registration officer in Brentwood is Mr. Jim Stevens, who tells me that since the general election more than 400 people have returned their postal vote registrations because they do not want to continue voting in that way. In the general election, a number of people were worried that their postal vote would somehow be taken away from them or rendered illegitimate.

My hon. Friend the Member for North-East Hertfordshire (Mr. Heald) talked about observers from Ukraine and other democracies who had witnessed our general election. They produced a report, "Democratic Institutions, and Human Rights Mission", and we would do well to listen to some of their remarks. The report mentioned the introduction in 2000 of "postal voting on demand", and it said that the lack of an application process

> "demonstrated the vulnerability of any trust-based electoral process".

Until the past few years, our electoral system was trust based. We must try to find a way to rebuild trust in our system.

Much has been said about the case in Birmingham, and I shall not repeat any quotations that have been offered to the House. I do not mean my remarks in any way to be a barb for any Labour Members in the Chamber, or for their party in general, but one passage in the electoral court report into the matter is especially chilling. It states:

> "Here we have two wards, some distance apart, in both of which the Labour party organisation has conducted a large and skilful campaign of electoral fraud, using precisely the same techniques in each case. This cannot be a coincidence. But did it go wider? In my view, it does."

It is a shock to realise that our system has become so vulnerable to systematic fraud, but we must accept some of the lessons so eloquently set out by the hon. Member for Belfast, East (Mr. Robinson). The dilemma is often described as how to strike the balance between security and turnout, but I suspect that few people will be willing to turn out in an election if they do not trust the system.

I believe that the balance to be struck is between sensible security, overreaction, and security against fraud. I shall deal first with security against fraud, which involves the problem of individual registration.

I see no reason not to move towards individual registration. The discussion about whether we should use national insurance numbers was utterly pointless. Sure, we could use some other method—iris recognition, DNA, blood sample, or a person's ability to recite the "Star Trek" cast list.

Mrs. Eleanor Laing (Epping Forest) (Con): No.

Mr. Pickles: I am sure that my hon. Friend would qualify in that respect. We have national insurance numbers, and the hon. Member for Belfast, East gave us some wise advice about their use. They would give us a degree of certainty, although I agree with hon. Members who said that we cannot talk about registration without trying to find people to register.

In this day and age, it is ridiculous to have the head of a household signing the register for other household members. We know that the further a person gets away from the family, the less likely it is that he or she will register to vote. That strikes me as wholly unsatisfactory, and one reason why there is such low registration in houses of multiple occupation.

We have seen how easy it has been for various people to register in false names. The *Daily Mail*, *The Sunday Telegraph*, *Evening Standard* and Sky News have reported on that, but it is not being done to get a vote. The reason might be to appear on a register for credit purposes. We know from some work that was undertaken by *The Mail on Sunday* that at the last general election there were reports of asylum seekers falsely signing up to obtain consumer credit.

A middle-class scam is taking place in many constituencies. Children fly the nest and move on to prosperous jobs. They may move to London. They may move to a part of the city, and not necessarily the most salubrious address. At the same time, mum and dad keep them on the register at home. They do not do that for a sentimental attachment, thinking that one day the children may return. They are on the register for credit ratings and for insurance purposes, to ensure that the children get a better deal. That sort of scam needs to be sorted out. That can be done only by a process of individual registration.

Is there an element of overreaction? There is a suggestion in the White Paper that ballot papers needed to be bar coded. Surely that is pointless. After all, a bar

code is only a number. It would add practically nothing to the security of the process. My electoral registration officer points out that that would effectively mean that a limited number of printing companies would be able to produce a ballot paper. We know that there were problems arising from the various pilot schemes. My ERO sensibly suggests that the bar code should be printed on the declaration. It is possible to do that with the software that most EROs have. That simple idea is more practical in offering real security than moving to something that will cause many problems.

I lend my support to the suggestion that problems will stem from clause 29. It is absurd that anyone could work out exactly when a general election could take place. The change in the 2001 election from May to June, because of the foot and mouth outbreak, is a clear example. I thought that the last set of elections were at least honest. If political parties are daft enough to spend money before an election period, that is up to them. Spending will not be avoided. It will merely be put underground.

Perhaps we have an unrealistic expectation of what is possible. We need to understand that our EROs bring in a bunch of people at election time. EROs understand the situation but sometimes the workers do not. That means that there is a high hurdle. We need to simplify and justify the law. We need to ensure that we place our trust in the electoral system.

Several hon. Members *rose—*

Mr. Deputy Speaker (Sir Michael Lord): Order. We are rapidly running out of time and many Members are seeking to catch my eye. If Members could see their way to taking less than their allowed 12 minutes, that would be extremely helpful.

8.59 pm

Dr. Alan Whitehead (Southampton, Test) (Lab): The Bill is good and wide-ranging. I have also found out the true identity of Michael Caine, which is given in the explanatory notes. I am not sure whether that affects the right of the celebrity known as Maurice Joseph Micklewhite to anonymous registration.

I was disappointed that the Opposition have decided to divide the House, as their opposition to the Bill seems manufactured. Although several Members have discussed their differences with the Bill, they could by and large be resolved in Committee, as can my concerns about it.

The Bill is a three-legged stool and the Opposition have concentrated on one leg, which they think should be made four or five times as fat as the other two legs. The principle of the three-legged stool—as many people as possible should be able to vote, as many people as possible should actually vote and as few people as possible should abuse the vote—is central to getting electoral registration and participation in elections right. Equal attention to all three criteria is important.

It is right to look at electoral administration, because there are questions about all three legs. It is undoubtedly true that the state of registration is a cause for concern. In some parts of the country, as Members have said, a slow train crash seems to be in progress; in many urban areas, registration is dipping below even the incomplete census figures. Of course, we can only discharge the second leg—electoral balance—if people are registered to vote in the first place and in some of those areas turnout is also low, which means that only a low percentage of a low percentage of people are voting. Unless we proceed carefully we shall undermine confidence in the whole system, as we attempt to deal with the problems by shepherding in abuses along with proper measures to make registration easier and more straightforward. It is important that we understand the interlinked nature of all three elements in dealing with electoral registration and turnout.

As the hon. Member for Brentwood and Ongar (Mr. Pickles) said, in the past our system was based on a high degree of trust. We do not face problems of trust only in postal voting but also in the whole system—that a person is who they say they are when they vote and that they vote only once. A personal identifier for individual voting would not solve the problem of people registering for insurance or credit purposes; they would simply sign on the dotted line. In many spheres, we still trust people to say who they are.

Perhaps, in our society, trust is dipping and people feel less inhibited about attempting to obtain electoral advantage by means that would have been seen as venal sins in the past but to some people nowadays are seen merely as venial, if indeed they are considered sins at all. That trust was earned by a system of checks and balances in the ballot, which have mostly stood the test of time. There has not been much abuse of the system over recent years. The public nature of registration and presenting oneself at the polling station have helped. However, modern views about privacy and modern methods of communication present challenges to those checks and balances.

In the past, there has been serious abuse of the UK system. It took successive Acts of Parliament in the 1860s, 1870s and 1880s to deal with that, as the history of the frequent and quite startling election petitions of those days testifies. The problem with election petitions was that a retinue of judges, clerks, scribes and assistants descended on a town to investigate when a petition had been lodged by the unsuccessful candidate. The expense of the entire revenue was borne by the unfortunate ratepayers of the borough, with the perverse result that local people became so fed up with the bills that they incurred that they invariably voted for the candidate of the party that had been unseated by the petition. They blamed the losing candidate for bringing misfortune down on their town. That was perhaps an example of getting an element of those three legs wrong. We might reflect today on whether vesting the costs of registration entirely in the hands of local authorities is similarly a problem.

As hon. Members have pointed out, the application of registration activity varies greatly between authorities and on the basis of how local councils allocate funds from their budgets. In that context, I was pleased that the Bill states that the budget for publicity and other activities will be ring-fenced at £17 million. It says that the Government may repay electoral registration officers the cost of activities, such as producing publicity, that are intended to increase participation. Perhaps we need to consider in Committee whether that wording will produce essentially a challenge fund or a peel-off-on-demand fund. I would not like to think that

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the electoral registration officers who undertake such activity risk using the money that they receive from local authorities.

We still ask some registration officers, by the very nature of the areas for which they are responsible, to undertake enormously greater activity, at far greater public expense, than others who must simply check whether people are still in the same place as they were last year to produce an electoral register that is 98 per cent. or so complete. So we need to have a number of thoughts about the nature of how we fund electoral registration and about the basis of its distribution in the country.

I hope incidentally that increased publicity will include local measures to explain how to vote. The Bill makes provision for children to go into polling booths with parents. That will ensure that some of us no longer have to sit with children while the parent goes into the polling booth as in previous years. It is a good idea to expose children to the very mechanism of voting, which would happen if they went into the polling booths with their parents. Perhaps, in times past, as families tended to eat together, they tended to go to vote together, and parents showed their families how to vote. With less geographical cohesion in our society, first-time voters may receive information on something about which they are about as familiar as travelling to the moon when they first vote.

I certainly have experience of talking to young voters who live in flats—perhaps young mums—who start off the exchange by expressing familiar nostrums about not voting because we are all the same or because it makes no difference, but it becomes apparent pretty early in the conversation that they simply do not know how to vote. No one has told them about it. They do not know how to vote or where to vote. They are afraid that they might be embarrassed or make a mess of it or that the process requires much more knowledge about the system than is the case. Measures to familiarise people with voting are therefore important.

Postal votes are pretty secure once dispatched to a returning officer, but public perception is important. So it is right that we look again at signifiers for both registration and postal votes to ensure that they are more robust but in a way that does not result in the over-complication of registration or in signing for postal votes, so that people simply do not register or, if they are registered, do not cast a vote. Signing on when voting—another provision of the Bill—seems to make an important psychological difference in ensuring that there is a public record and acknowledgement that people are who they claim to be which will stand regardless of how people vote in the privacy of the polling booth.

Frankly, part of the debate has turned in the past on the perceived advantage of different measures for parties. High turnout is alleged to favour Labour and therefore concern has been expressed about measures to improve it. By the same token, proper concerns about securing the integrity of the ballot have been downplayed sometimes because of the view that the imperative was to improve turnout using new means of voting when their integrity was still questioned. In fact, such issues affect all parties equally.

I have some concerns about the Bill, as I have said. I am not sure whether reducing the percentage of the vote necessary to preserve one's deposit is wise. There are discussions on both sides of the argument; but on balance, the preservation of a 5 per cent. limit would be wise. As was mentioned by the hon. Member for Somerton and Frome (Mr. Heath), action should be taken in respect of the activity involving national election expense when such things are truly local election expenses. There are several issues that we should examine properly in Committee.

I am sorry that when we are considering such an important matter as the legitimacy of all parties through the electoral process, the message may not go out from the House that all parties are behind change. If everyone agreed with the reasoned amendment, we would have no Bill at all to consider, which would be a most perverse outcome. I hope that the Opposition will even now decide not to divide the House and allow the Bill to go to Committee. We could then discuss the Bill together and send the message on electoral registration and voting that we mean business by ensuring that the electoral system is accessible, usable and secure.

9.10 pm

Mr. Mark Harper (Forest of Dean) (Con): To pick up on the point with which the hon. Member for Southampton, Test (Dr. Whitehead) ended his speech, it is important that we have an electoral system that has integrity. Indeed, the first of the Electoral Commission's aims is to promote a system that has integrity. Our discussion of individual registration is at the centre of that. The Government have said that they are willing to conduct pilot schemes, but having listened to the whole of the debate, it would seem sensible, given that this might be our only opportunity to discuss the matter before we have another general election, to consider the situation in Northern Ireland, where a pilot scheme effectively took place. The Minister of State, Department for Constitutional Affairs, the right hon. and learned Member for Camberwell and Peckham (Ms Harman), talked about evidence-based policy making, so we should analyse what happened there and consider examples of what did and did not work. We should examine the problems and learn from them, instead of holding another set of pilots, because after we had considered the pilots' outcomes, we might not have time to introduce another Bill and could thus find ourselves back here again after the next general election.

Mr. Sadiq Khan (Tooting) (Lab): The hon. Gentleman talks about using Northern Ireland as an example, but is he aware that in the first year after the introduction of the system, which he suggests could be introduced in the rest of the UK, the number of people on the register fell by 10.5 per cent? In the light of that, would it not be far better to hold pilots to determine how the proposals work before spreading the scheme out to the rest of the country?

Mr. Harper: I am glad that the hon. Gentleman makes that point. The hon. Member for Belfast, East (Mr. Robinson) said that a significant number of those who disappeared from the register jolly well should have done because they should not have been on it in the first place. Some people were not entitled to vote, some were

registered more than once and some entries were fictitious. Measures that have been taken since then have meant that some people who should have been on the register have been put back on it.

I shall not repeat the points that others have made about the letter that the Electoral Commission sent to hon. Members. However, the letter said that commission recognised

"concerns that the initial impact of a . . . switch to individual registration might be a fall in the number of people who register to vote".

The commission also said that it realised, as do my party and I, that a move to individual registration needs to be part of a package. Such a change cannot be made on its own, but must be carried out at the same time as other changes. The importance of registering to vote should be explained to people and electoral registration officers need to be given the duties, powers and resources to carry out their activities to ensure that only those who are not entitled to vote end up disappearing from the register. The hon. Member for Tooting (Mr. Khan) makes a valid point, but we should consider what happened elsewhere and take steps at the beginning of the process to avoid problems.

According to the Government, the Bill has three objectives:

"access to voting for all . . . highest possible turnout . . . and . . . lowest possible fraud".

I am worried that we have spent most of the debate considering registration. It is a good thing if everyone who is entitled to vote is on the electoral register, but that misses the point. If we get all the people who are entitled to vote on the register without addressing some of the wider issues—admittedly that might not be possible through the Bill—we will just end up with more people being entitled to vote, but no more people voting and turnout thus going down.

I think that the Minister has said on previous occasions that the mechanical process is not one of the main reasons why people do not vote. Labour Members have said that some 4 million people are not registered to vote, but the sad thing is that the process is not difficult. If someone wants to vote it is not difficult for them to put their name on the register and cast a vote. Depressingly, 4 million of our fellow citizens do not care enough about voting to take relatively simple steps to register. We have just had a general election, but I do not remember millions of people beating down my door because they were outraged that they could not cast a vote. That is what we should be worried about. *[Interruption.]* The hon. Member for Rhondda (Chris Bryant) is pulling face, but according to his colleagues millions of people were not able to vote. However, they were not angry about that, and we should be worried that many of our citizens do not think that elections are worth participating in. Perhaps that is because the House has less power, as many of our powers to make laws have gone elsewhere. Many people say that all the parties are the same and so there is not enough reason to vote. We should be concerned about those issues rather than the mechanical details.

Like my party, I support the proposal to allow people to stand for election to the House at 18. It is important to equalise the age at which people can vote and the age at which they can stand for election, but I do not support the proposal to allow people to vote at 16. One has to have a cut-off point, and it has to have some logic. Some say that people can do other things at 16, but that argument does not hold water. One can pay taxes at any age. I accept that someone can join the Army at 16, but they will not be sent to the front line. They can get married, but only with their parents' permission. We have to draw a line somewhere, and if we do not do so at 18—the age at which one becomes an adult—we could end up extending the provision to young teenagers. Voting is a rite of passage into adulthood, so it makes sense to keep the existing limit.

Finally, the hon. Member for Southampton, Test (Dr. Whitehead) touched on the issue of funding. Many hon. Members spoke about the duty on electoral registration officers to produce a complete register and their increased responsibilities for door-to-door canvassing, producing publicity and liaising with other organisations to obtain data for databases. That will impose a burden on local authorities, and we cannot simply will the ends unless the means are provided. Although I welcome the £17 million set aside for publicity, that equates to less than £30,000 for each parliamentary constituency and does not relieve the burden on electoral registration officers. Only a few people in local authorities do such work permanently. Many people are hired at peak times, so they are not particularly well trained. Electoral registration is seriously under-resourced, and I sympathise with officers in areas with universities that have a large student population or in areas with a large transient population. It must be difficult to work in such areas, and officers do not always receive the funding and resources that they deserve. National standards for electoral registration are to be implemented, so when the Minister of State talks to the Minister for Local Government she needs to highlight the fact that those activities needed to be financed by funding local government properly. If we put burdens on local councils by giving electoral registration officers a duty to produce a good register without providing them with the resources to do so, we are effectively promising a lot but we will fail to deliver. Moreover, we will not produce an accurate register in more challenging areas.

Some provisions in the Bill are welcome, but unless we address the problem of individual registration and the need for integrity in the voting system we will fail to make progress. My party tabled a reasoned amendment because, as has been said, this may be the only opportunity before the next general election to tackle the problem. We are concerned that the Government are not grabbing that opportunity to introduce a proper system of individual registration.

9.20 pm

Barbara Keeley (Worsley) (Lab): I welcome the new measures in the Bill relating to registration, and the new powers given to returning officers to improve access to voting and promote participation. A number of my hon. Friends mentioned the increasing difficulties that electoral registration officers have with registration, particularly in inner-city areas. The standard method for many authorities has been the annual canvass, but on its own that is proving increasingly ineffective. In Salford local authority, registration levels vary from 75 to 92 per cent. by constituency. Happily, mine is the

[Barbara Keeley]

constituency at 92 per cent., so I can feel a little more comfortable, but I know that wards in our authority show a level as low as 64 per cent. Clearly, it is cause for concern that one third of households are not registered.

As hon. Members discussed earlier in the debate, we know the groups among which non-registration peaks. In Salford, the election registration officer has difficulty with certain tower blocks near Salford university, where access for the canvass is difficult and where there is a high turnover of occupants, with many students who are registered elsewhere, as has been discussed. Some of the flats are owned by companies, which is a new development, and there are many six-month tenancies, which is a problem when the peak of our registration activity occurs at a certain time of year.

In the debate many of us have acknowledged a crisis in registration. The issue needs addressing in years to come. The measures in the Bill that start to address it are most welcome. Data sharing will be a help, to ensure that electoral registration officers get the most comprehensive data for the register. A number of suggestions were made earlier about agencies that might share data on household occupants, such as the Driver and Vehicle Licensing Agency, TV Licensing, tax credit agencies, housing associations and arm's length management organisations. I hope that those suggestions for extra sources of data can be followed up and used by local authorities to help them build and improve their registers.

I wholeheartedly agree with the Minister's caution in not making a change to individual registration. We know that, when such a change was made in Northern Ireland, it caused a dip of 10 per cent. in registration. With wards that stand at only 69 per cent., we cannot make a change that would further reduce that figure. In evidence to the Joint Select Committees on electoral registration in 2004–05 the electoral registration officer for Trafford foresaw that

"whole areas of the electorate would not respond"

to requests for individual registration, particularly among the groups, including young people, who we know are already the poorest respondents. The electoral registration officer for Salford told me today that in his view individual registration would be like

"a throwback to the poll tax",

as it would make registration numbers drop like a stone and not recover for very many years. Those were his words.

It is known that if young people do not register to vote when they attain voting age, they become less and less likely to register and then to vote. I have talked on the doorstep to people in their early 30s who admitted that they have never voted, as if that were a badge of honour. We should not underestimate the problem. It threatens the future legitimacy of our democracy.

On postal votes, I have had substantial experience of leading in local government in all-postal vote pilots. Based on that experience, I have a positive view of that voting method. In Trafford we ran pilots of all-postal voting in 2002 and 2003. In the first pilot, making voting easier by all-out postal voting raised turnout from 33 to 52 per cent. We all felt that once turnout was over 50 per cent. in our local elections, we had more of a mandate and that our decision-making was more legitimate. That is the key issue to balance the other concerns that people have—are we legitimate in what we do in local government?

It is important to point out what we thought were the elements that contributed to the success of those pilots. First, there was a drive by the council to ensure that the new voting procedure worked well for our electors. Then, there was the involvement and support of all political parties, good co-operation from and co-ordination of tasks with Royal Mail, and a simplification of the process by designing a ballot paper that was easy to use, with simple, easy-to-follow instructions.

Finally, publicity issued by local authorities such as information about candidates, an explanation of the councillor's role or even a description of a postal vote's journey is important. My hon. Friend the Member for Southampton, Test (Dr. Whitehead) has pointed out the need constantly to explain to people how their vote works and what happens to it, particularly in the case of postal voting. The Bill includes many of those elements: it sets performance standards for local authorities on elections; it gives returning officers and electoral registration officers a new power to encourage participation in the electoral process; and it provides powers to prescribe a different and hopefully simple form of ballot paper.

Although the Bill does not mention this, I hope that it will become routine to co-operate with the Royal Mail on the delivery of an increasing number of postal ballot packs. In my experience of local government, some issues cause problems with all-postal voting. We tried a complicated witness statement in the early pilot, but then we dropped it and did not use it again. A complicated ballot form can also cause problems—the June 2004 ballot form in the north-west for the joint elections was far too complicated for many voters. Local authorities that are less than enthusiastic about postal voting are an issue in my region. For instance, some authorities made it difficult for voters to obtain replacements for lost or spoiled ballot papers. The co-operation of the Royal Mail on deliveries is also important. In one case, less than 1 per cent. of the electorate in a polling district of 600 people voted, which suggests non-delivery of ballot papers.

Setting performance standards for local authorities in elections is a key step forward. I hope that it will gradually change situations in which local authorities are unprepared, are not proactive, have inaccessible or inconvenient polling stations or obstruct postal voters. Our residents, and younger people in particular, need encouragement to register to vote. I welcome the Bill, which will start to ensure that all local authorities perform to the best standard.

9.27 pm

Mr. Jim McGovern (Dundee, West) (Lab): I congratulate my hon. Friend the Member for Livingston (Mr. Devine) on his excellent maiden speech. He is a welcome addition to this place and I look forward to working with him.

I rise to support the Bill, the necessity for which has recently become clear to me. As a first-time parliamentary candidate at the May election, I was

concerned that I encountered so many people who were totally disfranchised. Those people were not illegally resident in the UK, criminals or attempting to opt out of society. Indeed, many of them were not particularly apathetic about the political process. Many of those people had been disfranchised almost by accident. Many of them believed that they were already registered, some had recently moved and found that they had missed the deadline to sign up and others had simply mislaid the letter from the registration officer and let the whole prospect of an election slip from their minds.

In the same way as we have a problem persuading people to save for a pension, we also find it difficult to persuade people to register to vote. Although turnout at the previous election was particularly low at 61 per cent., that hides a much harder statistic. A survey by the British Election Study team found that turnout among those who earned less than £15,000 a year, which I accept is an arbitrary figure, was as low as 49 per cent., compared with 68 per cent. among those who earned more than £15,000 a year. The difference is roughly 20 percentage points, which is unacceptable.

I am not naive enough to believe that any of the provisions in the Bill will actually increase the number of people who want to vote, which is a job for politicians rather than for this type of legislation. The need to inspire the population into wanting to vote is a debate for a different time and place, but it is clear that we should not place barriers in the way of people who may want to vote.

The Bill will go some way to addressing the problems that I encountered while campaigning in Dundee, West. It begins with the establishment of the co-ordinated on-line record of electors, which is commonly known as CORE. If we were to mention to our constituents that there is no central record of the electoral register or that the various different registers are almost entirely incompatible, many of them would find it hard to believe. It is sensible to co-ordinate the different systems, especially in the light of the lack of coterminosity between constituencies in Scotland. It may seem simple to conduct such co-ordination, but the process is rather complicated, so I am grateful that the CORE scheme has a long history.

In 2004, the Select Committee on Constitutional Affairs said that it was disappointed by the progress of the CORE scheme, despite its long existence as an idea, but reaffirmed that it had widespread support. I believe that to be true; it is the scheme best suited to address these problems. Standardised electoral registers will benefit political parties, people who move around often, and electoral officers who need to use the system.

It is believed that the system will lead to individual registration. All that I can say to that is, "The sooner the better." An ideal situation would be one in which someone can to enrol on the electoral register when they are 18 and their enrolment is kept active throughout their life, so that their only responsibility is to inform the CORE keeper—a term that reminds me somewhat of a science fiction movie—of their change of address. That would enable people to be on the register even if they forget to re-register in new places, and would make the system much more sustainable.

I am also of the opinion that this form of registration will hopefully lead to, or at least encourage, large-scale registration among the group who are most disenfranchised under the current situation: recent attainers. It is worrying that so many 18 to 24-year-olds are not registered. Evidence suggests that recent attainers are less likely to be registered if the head of household is not registered. Many recent attainers are being disfranchised not so much because they lack a desire to be involved in democracy as because of a system that bases one's vote on the head of a household filling in a form. I hope that that will eventually be sorted out. I see the CORE scheme as a first step to achieving some form of individual registration, and welcome it as such.

I understand the need for the scheme to be suitably piloted first, but I would welcome some guidance from the Minister as to how long the pilot schemes will last. I would be more comfortable with a defined period of piloting to be laid down in the Bill. It need not be set in stone, but it would at least provide some form of guarantee that the scheme is to be implemented as soon as practically possible. If the pilots are successful, we should implement them immediately.

Registration is a critical factor. The number of people who are not registered to vote is distressing to any democrat on either side of the House. In Scotland, there is a long history of that and it is a more serious problem. Ever since the poll tax was introduced a year earlier in Scotland than in the rest of the UK, there has been a mini-flight from being registered on the local electoral register. Although the people who left the register do not have the same political issue to protest about, the idea of being unregistered has festered with a small, but not insignificant, minority in Scotland. Most people want to be registered to vote, so we need to give them every opportunity to participate in the registration process. If we then fail to inspire them to vote, it is entirely our fault and cannot be blamed on any administrative problems.

I welcome the registration provisions in the Bill. I recently wrote to my electoral registration officer raising my concerns about the level of registration that I had experienced during the election campaign. Although I welcome the reply that I got and the effort made by council staff in trying to register the whole community, I was a little concerned about the paucity of the response that we expect from our councils. The Representation of the People Act 1983 requires that the electoral registration officer sends out a letter to every address in the city and that that is then followed by a letter to every address that does not respond. I welcome that, but feel that it does not go far enough. The response rate in Dundee is about 87 per cent., which leaves a large number of people still languishing in the aforementioned democracy desert.

The proposals in the Bill bulk up that provision, and I hope that they will lead to more people being registered. Rolling registration has helped the situation and I hope that the provision will strengthen it further. The responsibility for the council to take part in house-to-house inquiries to back up the initial canvass is welcome. I sincerely hope that this will pick up more of the disfranchised and help to provide everyone with an opportunity to vote.

[Mr. Jim McGovern]

Also welcome is the provision to allow people to register much closer to the date of the election. The new deadline is to be within 11 working days of the election. That is vital. Evidence from the Electoral Commission suggests that people who are directly contacted during an election campaign have a 77 per cent. voting record. That is outstanding and shows the importance of us all as local representatives getting out and meeting the people we represent. It is not much of a jump for us then to surmise that people are more likely to register when they meet candidates; and as we all know, people see much more of the candidates during the election period.

I imagine that many Members will discuss the Bill negatively because of the Government's refusal to jettison postal voting. I take the alternative view and welcome that decision warmly. Although many may feel that those who are unable to vote are the sort of people who are so lazy that they do not deserve the vote, I take a different position.

According to recent studies, 40 per cent. of young people who did not vote in the most recent election intended to do so but did not get around to it. I accept that there may be some hubris in the responses and that some people feel bad about owning up to apathy, but the figure proves a point. If we accept that our society is becoming increasingly post consumerist and that the urge to vote is perceived as being equal to the urge to protest or discuss political issues in pubs and clubs throughout the country, we should make it as easy as possible to vote.

Many people commute to work and thus, if they work late, they miss the polling station. Many others want to vote but would prefer not to go to the polling station. Others have legitimate reasons that make it unreasonable to expect them to go to a polling station. Postal voting has a positive effect on our democracy. As long it proves to be safe, we should continue with it.

I would like to consider the provision that relates to allowing people who have not received a postal vote to vote in person on the day. That is vital. On 5 May, I met two young women who had been turned away from their polling station because the clerk had registered them as postal voters. The fact that they did not consider themselves to be postal voters is a slightly different issue that should not be tackled here. However, their total disfranchisement because of a mistake or deception perpetuated elsewhere is categorically unfair. I therefore welcome the change and I am glad that the Government have acted on that.

The Bill's role is not to inspire people to vote. However, it will ensure that fewer obstacles lie in the way of anyone who has even the slightest inclination to participate in the democratic process. The measure will not do our job for us and it is incumbent on us all to engage with people as much as possible and encourage everyone to participate in a vital process.

9.36 pm

Mrs. Eleanor Laing (Epping Forest) (Con): The debate has been constructive and the Bill contains some good provisions. Nevertheless, I urge my hon. Friends to support the reasoned amendment, which my hon. Friend the Member for North-East Hertfordshire (Mr. Heald) moved so eloquently. As he said, much remains to be done, for example, on individual registration. The Government have not given a good reason for not doing what has been tried and tested in Northern Ireland, as the hon. Member for Belfast, East (Mr. Robinson) accurately showed.

The Minister did not give a good reason for lowering the threshold for the loss of a deposit. In my constituency, the BNP took 3.9 per cent. of the votes in the general election. Rewarding it with a return of a deposit—the Bill would do that on those figures—would give it a status that it does not deserve. In making such a generalisation, I do not suggest that the Scottish National party does not have a status. It has a high status, which it deserves. The fact that it gets only a small share of the vote is another matter.

We have heard much about the problems and pitfalls of postal voting. Again, no good reason has been given to justify the Government's position. Modernisation is justifiable only if it replaces the status quo with something better, not simply with something different. Of course, we all want more people to participate in elections. However, in the final reckoning, there must be an element of personal motivation that makes someone exercise his or her democratic right.

As my hon. Friend the Member for Forest of Dean (Mr. Harper) said, it is Parliament's duty to ensure that every citizen has the opportunity to vote and, as the hon. Members for Aberdeen, South (Miss Begg) and for Cardiff, North (Julie Morgan) said, no one should be denied access to the polls, physically or otherwise, because of a disability or an inability. The Bill deals with that fairly adequately. However, it is absurd to develop a system that bends over backwards to try to make people vote and consequently destroys the checks and balances that make the system fair. That serves only to undermine the democracy that we intend to enhance.

I am sure that the whole House will want to join me in congratulating the hon. Member for Livingston (Mr. Devine) on his maiden speech. It was a pleasure to hear his tribute to his predecessor and friend, whose charm, wit and wisdom we all miss, whether we agreed with his policies or not. The hon. Gentleman's description of the way in which he had administered a "jag" to a man who was "off his heid"—I understood what he meant—certainly marks him out for a great career in the Government Whips Office.

I understand why my hon. Friend the Member for South Staffordshire (Sir Patrick Cormack) supports the Bill. We all commend the Government for adopting his proposals to remedy situations similar to the unique state of affairs that arose when his Liberal Democrat opponent so tragically died a few days before the general election. My hon. Friend eloquently explained how such a situation could precipitate a constitutional crisis. I venture to suggest that the absence of my hon. Friend's constitutional wisdom from the House was itself a mini-crisis, and we were pleased to have him restored to us after only seven weeks.

My hon. Friend the Member for Chichester (Mr. Tyrie) was right in what he said about the disgraceful treatment of members of the armed forces, large numbers of whom were deprived of the right to vote, even when they were fighting for their country and losing their lives in Iraq. The Minister of State,

Department for Constitutional Affairs, the right hon. and learned Member for Camberwell and Peckham (Ms Harman) appeared to agree that that state of affairs was unacceptable. However, there is nothing in the Bill to remedy the situation. We look forward to hearing what the Under-Secretary of State for Scotland, the hon. Member for Inverclyde (David Cairns) has to say in a few minutes' time, when he will have the opportunity to explain further what the Government intend to do to remedy the injustice currently meted out to serving soldiers, airmen and others.

My hon. Friend the Member for Gosport (Peter Viggers), as a member of the Speaker's Committee on the Electoral Commission, brought wisdom and experience to the debate. He and my hon. Friend the Member for Brentwood and Ongar (Mr. Pickles) both made the fundamental point that, as the whole electoral system is vulnerable to fraud, and that a small amount of fraud has a large effect on undermining confidence in the system, it is very important that we ensure that our precious democracy is not undermined in that way. Let us not exaggerate. We all know that, fundamentally, we have a great system. It is probably the best and most secure electoral system anywhere in the world, and it is one on which many other democracies have based their systems. So let us not now, for the sake of modernisation or political correctness, go blindly down a road that would be likely to diminish the security of that system and to undermine it.

The hon. Member for Somerton and Frome (Mr. Heath), who spoke on behalf of the Liberal Democrats, made it clear why they are not the official Opposition in the House—

Mr. Heath: Explain.

Mrs. Laing: I certainly will. The hon. Gentleman and the hon. Member for Southampton, Test (Dr. Whitehead) both urged that we should all be in agreement this evening—

Mr. Heath: No.

Mrs. Laing: I will give way to the hon. Gentleman if he wishes to explain further.

Mr. Heath: The hon. Lady is explaining why she is going to recommend to her colleagues that they decline to give a Second Reading to a Bill that is the only vehicle that we have for introducing the reforms that we all agree need to be put in place. She needs to explain what kind of opposition that is.

Mrs. Laing: It is the only vehicle that we have before us now. That does not mean that it cannot be improved and become a much better vehicle once we go through the next stages—*[Interruption.]* If our reasoned amendment wins this evening and the Bill does not go into Committee, it would be perfectly fine for the Government to go away, think again and bring back a better Bill, along the lines that we have suggested—*[Interruption.]* Mr. Speaker, what is this place if not the forum for debate? What are we here for if we cannot refine the Government's proposals and make them better? That is our job. We support many of the measures in the Bill—we want a better system—but I truly believe that a constructive debate such as we have had this evening is an essential element in the democratic process. It is not our duty to stand here agreeing with the Government—

Mr. Stephen O'Brien (Eddisbury) (Con): Or the Liberal Democrats.

Mrs. Laing: Or, as my hon. Friend says, with the Liberal Democrats, who do not put up any opposition to the Government. It is our duty to hold the Government to account, which is what we are doing this evening.

Our reasoned amendment would lead to a better Bill. *[Interruption.]* It would lead to a better Bill. Labour Members simply cannot disagree. If, perchance, the Bill receives a Second Reading and is considered in Committee, the matters that we have set out so carefully in our reasoned amendment will be the subject of further debate. If not, we will expect a better Bill to be brought back to the House.

Democracy is a fragile entity, which is why we have to defend it. It depends on the confidence of the people. The very fact that we are having this debate and giving the House the opportunity to divide are steps in the right direction to strengthening our democracy.

9.46 pm

The Parliamentary Under-Secretary of State for Scotland (David Cairns): There is more to democracy than casting a vote, but there is no higher democratic duty for those of us who are charged with office than to ensure that voting is safe and simple for everyone who is entitled to participate. That is what the Bill sets out to achieve. It takes forward the Government's aims of making registration more accessible for voters, enhancing the security of our electoral system and improving the vital, though often technical, process of electoral administration.

As the Minister of State, Department for Constitutional Affairs, my right hon. and learned Friend the Member for Camberwell and Peckham (Ms Harman), made clear in her opening remarks, the vast majority of the proposals in the Bill have emerged from the recommendations of the independent Electoral Commission, following extensive nationwide consultation. The measures that are outlined are based on three interlocking principles: access to voting for all who are entitled, participation by all who wish to participate and fairness for all through zero tolerance of fraud and intimidation. None of those principles is optional.

Through the Bill, we will improve the registration process, in particular by enabling people to register after an election has been called and establishing a new duty for registration officers to take all necessary steps to ensure that comprehensive registers are in place. To tighten security, especially for postal voters, two new electoral fraud offences are to be created, and we are piloting the collection of personal identifiers at registration.

To improve the accuracy and integrity of electoral registers and to support national access, we will introduce a framework for CORE—the co-ordinated

[David Cairns]

online record of electors. We will introduce new measures to simplify administration, particularly for postal votes, and give new powers and new finance to electoral administrators. To help to open up elections to everyone, we will improve information available to voters in polling stations, providing guidance in languages other than English and Welsh, and in a variety of formats.

To that end, it was encouraging to see a great deal of support for most of those measures in all parts of the House. Extraordinary expertise on the issue has been displayed over the past few hours, as has the accumulated experience of thousands of elections fought over what amounts to many hundreds of years. We have seen evidence of detailed thinking and engagement with the issues and the proposals that we have set out.

At the start of my summing up, I want to reiterate the point made by my right hon. and learned Friend the Minister of State in her opening remarks: the Government are genuinely open to considering amendments tabled in Committee that are based on evidence, where they are non-controversial and we can seek consensus in all parts of the House. That is how we have approached the Bill and how we have put these measures before the House today.

Mr. David Winnick (Walsall, North) (Lab): I want to make one particular point. The Opposition mentioned it, but that does not necessarily make it wrong. I am very concerned about the figure of 2 per cent. I see no justification for it and it will encourage every racist extremist. I hope that that provision will be amended in Committee without any trouble at all.

David Cairns: My hon. Friend has highlighted an issue that I wanted to deal with later, but I will do so now as he has raised it. Clearly, there was no consensus across the House in support of the move from a 5 per cent. to a 2 per cent. threshold at which the deposit is lost. The Electoral Commission made the recommendation, and along with many other such recommendations we incorporated it into the Bill. We would not want to ram the measure through if it did not enjoy support on both sides of the House, and we can revisit the issue in Committee.

Mr. Heald: The measure outstanding is therefore individual voter registration, which was recommended by international observers of our election, the Electoral Commission and Members on both sides of the House. Will the Government reconsider that?

David Cairns: The Bill allows for individual registration. I think that some Opposition Members are trying to have their cake and eat it. At one point, the hon. Member for Epping Forest (Mrs. Laing) said that we must be careful about pushing ahead with measures that will unravel hundreds of years of history. However, when we said that the proposal would be a departure from the practice in Great Britain and that we therefore wanted to pilot it as it was important to proceed on an evidence base, Opposition Members said that we were not going far enough.

Mrs. Laing: Will the Minister give way?

David Cairns: No. I have only eight minutes, whereas the hon. Member for North-East Hertfordshire (Mr. Heald) had 25 minutes.

As my right hon. and learned Friend the Minister said in her opening speech, the issue is not one of principle. We are not in principle opposed to or in favour of individual identifiers. We are saying, "Let us pilot it and see what happens." First, we need to see whether the hoped-for security benefits materialise. Secondly, we need to find out whether there will be the feared reduction in numbers of people registered, as expressed in speech after speech—and which one Member referred to as a catastrophic drop. If we go ahead with the pilots, the Electoral Commission will assess those and bring its assessment back to the Secretary of State. We would not need new primary legislation to make those pilots apply across the UK, as one or two Members suggested. We feel that a proper evidence base is needed before we proceed. That was one of the two major themes mentioned by the hon. Member for North-East Hertfordshire.

Given that I have gone some way towards meeting what the hon. Member for North-East Hertfordshire said, I appeal to him, even at this late hour, to reconsider his unwise decision to divide the House on the issue. There is a wide measure of cross-party support, and every other party represented in the speeches this evening will support the Government in the Lobby—not because they agree with every measure in the Bill, but because they understand that defeating the Bill at this stage does away with any chance in the near future to get the measures that we all want on to the statute book. Given the consensual approach to the matter, we could proceed with much greater cross-party co-operation in Committee if we did not divide at this stage, but that is a matter for him.

We were privileged this evening to hear an excellent maiden speech from my hon. Friend the Member for Livingston (Mr. Devine). He was right that many tributes have been paid to Robin Cook as a parliamentarian and world statesman. He paid tribute to him as a constituency Member of Parliament, however, and as someone who spent quite a bit of time with my hon. Friend the Member for Livingston during the by-election I saw that reflected on doorstep after doorstep. I often think that MPs overstate the personal vote. In Livingston it was not overstated—Robin Cook had a very strong personal vote. During that by-election, my hon. Friend plied me with huge quantities of Fry's Turkish Delight on a daily basis, and as Members can see my efforts to refuse the temptation were hopeless. I formed the impression during the by-election that he was an outstanding candidate, and I have no doubt whatever that he will be an outstanding Member of Parliament.

The hon. Member for Somerton and Frome (Mr. Heath) welcomed the Bill, said it was not perfect, but wanted a Second Reading so that he could raise some of the issues that we have been discussing in

Committee. That is a sensible approach. He spoke of the tension between the integrity of the register and comprehensiveness, between the need to tackle fraud and the need to maximise the register. The Government do not believe that it is either/or; we believe that it is both/and. We tackle fraud and we maximise the register: we do both at the same time.The hon. Gentleman also made some interesting suggestions about the duplication of reporting, which we will certainly consider if he raises the issue in Committee.

My hon. Friend the Member for Aberdeen, South (Miss Begg) raised a couple of specific issues, one relating to postal vote provision and the other to a case in the constituency of our hon. Friend the Member for Cumbernauld, Kilsyth and Kirkintilloch, East (Rosemary McKenna). I assure her that the Bill takes steps to deal with both. My hon. Friend, however, devoted most of her speech to access issues. The Bill provides for four-yearly reviews of polling stations, but it is, of course, completely unacceptable that she could not gain access to a polling station in her constituency at the last election. That should not have happened, and it must not happen again. The review will focus on precisely those issues.

The hon. Member for South Staffordshire (Sir Patrick Cormack) spoke of the extraordinary situation in which he found himself. We should remember that at the heart of that was a personal tragedy—the death of a Liberal Democrat candidate, Jo Harrison. As we examine the political ramifications, it is important to think of the human dimensions and to send our sympathies to Jo Harrison's family for the tragedy that produced those circumstances. The hon. Gentleman knows that the Government will be prepared to consider his amendment in Committee, and I look forward to working with him then.

It is often invidious to pick out one outstanding contribution, but I think that my hon. Friend the Member for Vale of Clwyd (Chris Ruane) made it. He has tabled hundreds of questions and addressed the issue in depth. He repeatedly said that if we are to have individual registration schemes for the whole country, we need an evidence base. The evidence base simply is not there, he said. He also raised the issue of databases, which has become another important theme.

The hon. Member for Chichester (Mr. Tyrie) spoke of his concern about postal voting. He said that the postal voting experiment had gone wrong, but, with respect, I do not agree. Where there are abuses, where there are frauds, we come down on those abuses and frauds like a ton of bricks; but I will not apologise for extending people's ability to engage in postal voting.

Mr. Tyrie: Will the Minister give way?

David Cairns: No, I am afraid I cannot.

People like postal voting and there is no way in which we can return to the days when people had to obtain a doctor's signature. Some constituents had to pay £5 or £10.

Mr. Tyrie: Will the Minister give way?

David Cairns: I will not give way on this issue. [HON. MEMBERS: "Give way!"] I will not give way because I want to extend an olive branch to the hon. Gentleman in relation to the service voters whom he mentioned. That theme emerged time and again. I do not have time to go into the details, but Members in all parts of the House feel that we still have not got it right in terms of registration and postal votes for service personnel. I give the hon. Gentleman an undertaking that we will work with the Ministry of Defence, the Electoral Commission and Members in all parties to get it right. It is too important not to get right, and we will get it right. I thank the hon. Gentleman for raising it.

My hon. Friends the Member for Edmonton (Mr. Love) and for Cardiff, North (Julie Morgan) mentioned what they described as catastrophic under-registration. That lies at the heart of what we are trying to do in the Bill. We are not tolerant of the fact that 3.5 million people are not on the electoral register. We will give electoral registration officers a duty to reduce that figure and to take whatever steps are necessary.

There were many other contributions, but unfortunately I do not have time to deal with them in depth. The hon. Member for Belfast, East (Mr. Robinson) asked two specific questions—about late registration in Northern Ireland and about political party donations. I have been assured that the Northern Ireland Office is actively considering both issues and is organising a consultation in which he may wish to participate.

There was no agreement on the case for reducing the voting age from 18 to 16, but my right hon. and learned Friend the Minister of State rightly said that she would keep the issue under review.

I thank all Members for their contributions to a thoughtful and thorough debate and I commend the Bill to the House.

Question put, That the amendment be made:—

The House divided: Ayes 166, Noes 374.

Division No. 69] **[9.59 pm**

AYES

Afriyie, Adam	Clappison, Mr. James
Amess, Mr. David	Clark, Greg
Arbuthnot, rh Mr. James	Clarke, rh Mr. Kenneth
Atkinson, Mr. Peter	Clifton-Brown, Mr. Geoffrey
Bacon, Mr. Richard	Conway, Derek
Baldry, Tony	Cox, Mr. Geoffrey
Barker, Gregory	Crabb, Mr. Stephen
Baron, Mr. John	Curry, rh Mr. David
Banyon, Mr. Richard	Davies, David T.C. *(Monmouth)*
Barcow, John	Davies, Philip
Beresford, Sir Paul	Djanogly, Mr. Jonathan
Binley, Mr. Brian	Dorrell, rh Mr. Stephen
Blunt, Mr. Crispin	Dorries, Mrs. Nadine
Bone, Mr. Peter	Duddridge, James
Boswell, Mr. Tim	Duncan, Mr. Alan
Bottomley, Peter	Duncan Smith, rh Mr. Iain
Brady, Mr. Graham	Dunne, Mr. Philip
Brazier, Mr. Julian	Ellwood, Mr. Tobias
Brokenshire, James	Evans, Mr. Nigel
Browning, Angela	Fabricant, Michael
Burt, Alistair	Fallon, Mr. Michael
Butterfill, Sir John	Field, Mr. Mark
Carswell, Mr. Douglas	Forth, rh Mr. Eric
Cash, Mr. William	Fox, Dr. Liam
Chope, Mr. Christopher	Francois, Mr. Mark

Fraser, Mr. Christopher
Gale, Mr. Roger
Garnier, Mr. Edward
Gauke, Mr. David
Gibb, Mr. Nick
Goodman, Mr. Paul
Gove, Michael
Grayling, Chris
Green, Damian
Greening, Justine
Greenway, Mr. John
Grieve, Mr. Dominic
Gummer, rh Mr. John
Hague, rh Mr. William
Hammond, Mr. Philip
Hammond, Stephen
Hands, Mr. Greg
Harper, Mr. Mark
Hayes, Mr. John
Heald, Mr. Oliver
Hendry, Charles
Herbert, Nick
Hoban, Mr. Mark
Hollobone, Mr. Philip
Holloway, Mr. Adam
Horam, Mr. John
Hunt, Mr. Jeremy
Hurd, Mr. Nick
Jack, rh Mr. Michael
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Johnson, Mr. Boris
Jones, Mr. David
Kawczynski, Daniel
Key, Robert
Kirkbride, Miss Julie
Knight, rh Mr. Greg
Laing, Mrs. Eleanor
Lait, Mrs. Jacqui
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Leigh, Mr. Edward
Letwin, rh Mr. Oliver
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Loughton, Tim
Luff, Peter
Mackay, rh Mr. Andrew
Main, Anne
Malins, Mr. Humfrey
Mates, rh Mr. Michael
May, rh Mrs. Theresa
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Miller, Mrs. Maria
Milton, Anne
Mitchell, Mr. Andrew
Moss, Mr. Malcolm
Murrison, Dr. Andrew
Newmark, Mr. Brooks
O'Brien, Mr. Stephen
Osborne, Mr. George
Ottaway, Richard
Paice, Mr. James
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penrose, John
Pickles, Mr. Eric
Prisk, Mr. Mark
Pritchard, Mark
Randall, Mr. John
Rifkind, rh Sir Malcolm
Robathan, Mr. Andrew
Robertson, Hugh
Robertson, Mr. Laurence
Rosindell, Andrew
Ruffley, Mr. David
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Shephard, Mr. Richard
Simmonds, Mark
Spelman, Mrs. Caroline
Spicer, Sir Michael
Spink, Bob
Spring, Mr. Richard
Steen, Mr. Anthony
Streeter, Mr. Gary
Stuart, Mr. Graham
Swayne, Mr. Desmond
Swire, Mr. Hugo
Syms, Mr. Robert
Tapsell, Sir Peter
Taylor, Mr. Ian
Tredinnick, David
Turner, Mr. Andrew
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Vara, Mr. Shailesh
Viggers, Peter
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Walter, Mr. Robert
Watkinson, Angela
Whittingdale, Mr. John
Widdecombe, rh Miss Ann
Wiggin, Bill
Wilshire, Mr. David
Wilson, Mr. Rob
Winterton, Ann
Winterton, Sir Nicholas
Wright, Jeremy
Yeo, Mr. Tim
Young, rh Sir George

Tellers for the Ayes:
Mr. David Evennett and
Mr. Henry Bellingham

NOES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, rh Mr. Bob
Alexander, Danny
Anderson, Mr. David
Anderson, Janet
Armstrong, rh Hilary
Atkins, Charlotte
Austin, Mr. Ian
Austin, John
Bailey, Mr. Adrian
Baird, Vera
Balls, Ed
Banks, Gordon
Barrett, John
Barron, rh Mr. Kevin
Bayley, Hugh
Beckett, rh Margaret
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr. Joe
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blears, rh Hazel
Blizzard, Mr. Bob
Borrow, Mr. David S.
Bradshaw, Mr. Ben
Brake, Tom
Brennan, Kevin
Brooke, Annette
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Mr. Des
Browne, Mr. Jeremy
Bruce, Malcolm
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Burstow, Mr. Paul
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Cable, Dr. Vincent
Caborn, rh Mr. Richard
Cairns, David
Campbell, Mr. Alan
Campbell, Mr. Gregory
Campbell, rh Sir Menzies
Campbell, Mr. Ronnie
Carmichael, Mr. Alistair
Caton, Mr. Martin
Cawsey, Mr. Ian
Challen, Colin
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Tom
Clelland, Mr. David
Clwyd, rh Ann
Coffey, Ann
Cohen, Harry
Connarty, Michael
Cook, Frank
Cooper, Rosie
Corbyn, Jeremy
Cousins, Jim
Crausby, Mr. David
Creagh, Mary
Cruddas, Jon
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
Curtis-Thomas, Mrs. Claire
Darling, rh Mr. Alistair
David, Mr. Wayne
Davidson, Mr. Ian
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dhanda, Mr. Parmjit
Diamond, Mr. Andrew
Dobbin, Jim
Dobson, rh Frank
Dodds, Mr. Nigel
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Eagle, Angela
Eagle, Maria
Ellman, Mrs. Louise
Engel, Mrs. Natascha
Ennis, Jeff
Etherington, Bill
Farrelly, Paul
Farron, Tim
Featherstone, Lynne
Field, rh Mr. Frank
Fisher, Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Flynn, Paul
Follett, Barbara
Foster, Mr. Michael *(Worcester)*
Foster, Michael Jabez *(Hastings and Rye)*
Gapes, Mike
Gardiner, Barry
George, Andrew
Gerrard, Mr. Neil
Gibson, Dr. Ian
Gidley, Sandra
Gilroy, Linda
Godsiff, Mr. Roger
Goggins, Paul
Goldsworthy, Julie
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Gwynne, Andrew
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. David
Hamilton, Mr. Fabian
Hanson, Mr. David
Harman, rh Ms Harriet
Harris, Dr. Evan
Harris, Mr. Tom
Havard, Mr. Dai
Healey, John
Heath, Mr. David
Hemming, John
Henderson, Mr. Doug
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Herron, Lady
Hesford, Stephen
Hewitt, rh Ms Patricia
Hayes, David
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hoey, Kate
Holmes, Paul
Hood, Mr. Jimmy
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Horwood, Martin
Hosie, Stewart
Howarth, David
Howarth, rh Mr. George
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Hughes, Simon
Huhne, Chris
Humble, Mrs. Joan
Hunter, Mark
Iddon, Dr. Brian
Illsley, Mr. Eric
Ingram, rh Mr. Adam
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Lynne
Jones, Mr. Martyn

Jowell, rh Tessa
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Killoyle, Mr. Peter
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lamb, Norman
Laws, Mr. David
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lloyd, Tony
Llwyd, Mr. Elfyn
Love, Mr. Andrew
Lucas, Ian
MacDougall, Mr. John
Mackinlay, Andrew
MacNeil, Mr. Angus
MacShane, rh Mr. Denis
Mactaggart, Fiona
Malik, Mr. Shahid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall, Mr. David
Marshall-Andrews, Mr. Robert
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCafferty, Chris
McCarthy, Kerry
McCarthy-Fry, Sarah
McDonagh, Siobhain
McDonnell, John
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McNulty, Mr. Tony
Meacher, rh Mr. Michael
Meale, Mr. Alan
Merron, Gillian
Michael, rh Alun
Miliband, rh Mr. David
Miliband, Edward
Mitchell, Mr. Austin
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moore, Mr. Michael
Moran, Margaret
Morden, Jessica
Morgan, Julie
Mountford, Kali
Mudie, Mr. George
Mulholland, Greg
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Denis
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Naysmith, Dr. Doug
Norris, Dan
O'Brien, Mr. Mike
Oaten, Mr. Mark
Olner, Mr. Bill
Opik, Lembit
Osborne, Sandra
Owen, Albert
Paisley, Rev. Ian
Palmer, Dr. Nick
Plaskitt, Mr. James
Pope, Mr. Greg
Pound, Stephen
Prentice, Bridget
Price, Adam
Primarolo, rh Dawn
Prosser, Gwyn
Pugh, Dr. John
Purchase, Mr. Ken
Purnell, James
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Riordan, Mrs. Linda
Robertson, Angus
Robertson, John
Robinson, Mr. Geoffrey
Robinson, Mrs. Iris
Robinson, Mr. Peter
Rogerson, Mr. Dan
Rooney, Mr. Terry
Rowen, Paul
Roy, Mr. Frank
Ruane, Chris
Ruddock, Joan
Russell, Bob
Russell, Christine
Ryan, Joan
Salter, Martin
Sanders, Mr. Adrian
Sarwar, Mr. Mohammad
Seabeck, Alison
Shaw, Jonathan
Sheridan, Jim
Short, rh Clare
Simon, Mr. Siôn
Simpson, Alan
Simpson, David
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, Geraldine
Smith, rh Jacqui
Smith, John
Smith, Sir Robert
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Stunell, Andrew
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari
Taylor, David
Taylor, Matthew
Taylor, Dr. Richard
Teather, Sarah
Thomas, Mr. Gareth
Thornberry, Emily
Thurso, John
Timms, Mr. Stephen
Tipping, Paddy
Todd, Mr. Mark
Touhig, Mr. Don
Trickett, Jon
Truswell, Mr. Paul
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Usher, Kitty
Vaz, Keith
Vis, Dr. Rudi
Walley, Joan
Waltho, Lynda
Ward, Claire
Wareing, Mr. Robert N.
Watson, Mr. Tom
Watts, Mr. Dave
Webb, Steve
Weir, Mr. Mike
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Williams, Mrs. Betty
Williams, Hywel
Williams, Mark
Williams, Stephen
Willis, Mr. Phil
Willott, Jenny
Wilson, Sammy
Winnick, Mr. David
Wishart, Pete
Wood, Mike
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek
Younger-Ross, Richard

Tellers for the Noes:
Mr. Vernon Coaker and Tony Cunningham

Question accordingly negatived.

Main Question put forthwith, pursuant to Standing Order No. 62 (Amendment on second or third reading), and agreed to.

Bill accordingly read a Second time.

ELECTORAL ADMINISTRATION BILL (PROGRAMME)

Motion made, and Question put forthwith, pursuant to Standing Order No. 83A (Programme motions).

That the following provisions shall apply to the Electoral Administration Bill:

Committal

1. The following shall be committed to a Committee of the whole House—

(a) Clauses 9 to 18;

(b) any new Clauses or new Schedules relating to Part 2 or Part 3 of the Bill;

(c) any new Clauses or new Schedules relating to the procedure to be followed at an election on the death of a candidate;

(d) any new Clauses or new Schedules relating to candidates standing in more than one constituency at an election.

2. The remainder of the Bill shall be committed to a Standing Committee.

Proceedings in Committee

3. Proceedings in Committee of the whole House shall be completed in one day.

4. Those proceedings shall be taken in the order shown in the first column of the following Table and shall (so far as not previously concluded) be brought to a conclusion at the times specified in the second column of that Table.

TABLE

Proceedings	*Time for conclusion of proceedings*
Clauses 9 to 12, new Clauses relating to Part 2 of the Bill, new Schedules relating to Part 2 of the Bill.	Two and a half hours after the commencement of proceedings on the Bill.
Clauses 13 to 18, new Clauses relating to Part 3 of the Bill, new Schedules relating to Part 3 of the Bill.	Two and a half hours after the commencement of proceedings on Clause 13.

New Clauses and new Schedules relating to the procedure to be followed at an election on the death of a candidate or relating to candidates standing in more than one constituency at an election.	The moment of interruption or one hour after the commencement of proceedings on the first such new Clause, whichever is the later.

5. Standing Order No. 83B (Programming committees) shall not apply to the proceedings in Committee of the whole House.

Proceedings in Standing Committee

6. Proceedings in the Standing Committee shall (so far as not previously concluded) be brought to a conclusion on Thursday 24th November.

7. The Standing Committee shall have leave to sit twice on the first day on which it meets.

Proceedings after Committee

8. When the provisions of the Bill considered respectively by the Committee of the whole House and by the Standing Committee have been reported to the House, the Bill shall be proceeded with as if it had been reported as a whole from the Standing Committee.

Consideration and Third Reading

9. Proceedings on consideration shall (so far as not previously concluded) be brought to a conclusion one hour before the moment of interruption on the day on which those proceedings are commenced.

10. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on that day.

11. Standing Order No. 83B (Programming committees) shall not apply to proceedings on consideration and Third Reading.

Programming of proceedings

12. Any other proceedings on the Bill (including any proceedings on consideration of Lords Amendments or on any further messages from the Lords) may be programmed.—*[Mr. Cawsey.]*

Question agreed to.

ELECTORAL ADMINISTRATION BILL
[*MONEY*]

Queen's consent having been signified—

Motion made, and Question put forthwith, pursuant to Standing Order No. 52(1)(a) (Money resolutions and ways and means resolutions in connection with bills),

That, for the purposes of any Act resulting from the Electoral Administration Bill, it is expedient to authorise—

(1) the payment out of money provided by Parliament of—

(a) any expenses incurred by the Secretary of State in consequence of the Act; and

(b) any increase attributable to the Act in the sums which under any other Act are payable out of money so provided;

(2) the payment out of the Consolidated Fund of any increase attributable to the Act in the sums payable under any other Act out of that Fund.—*[Mr. Cawsey.]*

Question agreed to.

DELEGATED LEGISLATION

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Standing Committees on Delegated Legislation),

Civil Partnership

That the draft Civil Partnership (Miscellaneous and Consequential Provisions) Order 2005, which was laid before this House on 12th October, be approved.—*[Mr. Cawsey.]*

Question agreed to.

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Standing Committees on Delegated Legislation),

Social Security

That the draft Social Security (Inherited SERPS) (Amendments relating to Civil Partnership) Regulations 2005, which were laid before this House on 12th October, be approved.—*[Mr. Cawsey.]*

Question agreed to.

Village Halls (Lottery Funding)

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Cawsey.]*

10.17 pm

Matthew Taylor (Truro and St. Austell) (LD): I welcome the opportunity to return to an issue that I have debated on a number of occasions, most recently in an Adjournment debate about three years ago, when I made the case for community and village halls that have suffered a funding gap for essential repairs to buildings, many of which were constructed during the first and second world wars and are fundamental to the communities they serve. Over the past couple of years, and especially over the past six months, I have been pressing the case that lottery funding should be made available.

That was the case I wanted to make in my Adjournment debate. Clearly, the Government and the lottery fund have been listening, because yesterday it was announced that about £50 million would be made available over the next three years, which I very much welcome. I have been corresponding on the issue with the Big Lottery Fund and with Ministers for some time, as the Minister knows, and the funding will mean a big change for a large number of village halls and community facilities throughout the country.

There has been a funding gap. Although specific money has been available for new facilities, such as those for the disabled, and money has been available for projects in community and village halls, such as education, training and information technology, there has been a significant lack of the capital resources that are essential for the renewal of buildings. Although I welcome the announcement of the new funding, and suspect that the Adjournment debate may have helped, I still want to raise some issues that arise from it.

To give some context, I shall give a current example from my constituency. Veryan parish hall, like most such halls, was built some time ago; in this case, by the British Legion in 1926. More recently, a benefactor bought it and presented it to Veryan parish council and it operates as a charity serving the community. The activities that take place are typical for halls of that sort: scouts and guides, pantomimes, yoga, women's institute meetings, plant sales and all sorts of community events. However, kitchen and office facilities are limited and there is no small meeting room of the sort that are in such short supply in those communities. The building fabric needs renewal. As buses to the main town do not run after 6 pm, people without transport have to rely on such facilities.

Such community halls are especially prevalent in Cornwall, which has many small villages and towns, whereas most counties have larger towns and cities. Like many similar community halls and facilities, Veryan hall applied for a grant from the lottery fund to improve the kitchen, parking, access—in accordance with the provisions of the Disability Discrimination Act 1995—and other parts of the hall. The application was backed by Cornwall rural community council, the parish council and other local community groups.

All that work was done by volunteers, and after going through a complicated process, with visits from financial officials, and having received positive feedback, they were told that they did not meet the funding criteria because the area was not deprived enough. That is ironic as Cornwall is recognised as the poorest county in the country, but its rural communities do not fill many of the tick boxes for deprivation, such as low car ownership. It is almost impossible to exist in those communities without a car. Another reason was that not enough people from an ethnic minority would benefit from the funding. Those criteria would rule out most village halls in Cornwall.

Although it is important that lottery funds are awarded against fair criteria in each case, it was felt that they are stacked against rural applications. The county was not thought to be poor because it did not have the same problems as urban areas but, perhaps most important, no funding is really designed to help decaying village halls with basic maintenance and renewal, as opposed to individual projects. That is the issue that I have been raising in meetings with Ministers and others over the years. The Veryan community, like many others, has raised a lot of money—about £80,000 towards the total project cost of £190,000—but it is insufficient. It has done a great job raising money but it has no one to turn to.

The announcement has been made that funds will be available. The Government have much more control over the Big Lottery Fund than over predecessor funds and although we have been told that details of who and what will be eligible will not be announced until next year, will the Minister give some idea of how the funds are to work? Most important, how far will they be earmarked for the renewal of existing infrastructure rather than having to meet the peculiar criteria —that projects should provide new facilities or activities—that have existed since the useful millennium fund?

The press release is somewhat unclear. It talks about not only the renewal of community buildings and village halls, but new beneficiaries. That issue goes to the heart of whether the fund will produce what we need in Cornwall. An improved hall may have new beneficiaries—of course, more people are likely to use it—but the key thing is that people often want to keep existing facilities for their communities groups. If they must show that there will be new users or that there will be a major change in the kind of facility on offer, many of them will struggle to do so. After all, funding has been available for the existing uses until now.

I hope that the Minister will give a feel for the direction that the fund is intended to take. I also hope that he will address a broader concern that I raised during the last Adjournment debate on the issue, when the Minister gave a quite positive response, but little has happened since. It is a wider concern about the complications of the funding process that the people who operate village halls and community facilities must undertake. Although they are largely volunteers, they are expected to navigate their way through a wide variety of different funds. For some funds, they must go to the South West of England Development Agency; for others, they must go to other regional development agencies, the Big Lottery Fund, the Heritage Lottery Fund or the Local Government Association, each of which may have funds available but only if certain

[Matthew Taylor]

criteria are met. For example, the RDA places funds only where the beneficiaries can illustrate economic outputs. So the RDA could help to fund a new computer suite to train local people, but not provide funds to repair a leaking roof.

The process is complicated and people are uncertain about where to go for funding, despite the fact that organisations such as the rural community councils do a very good job in signposting. It would be enormously helpful if something could be done to simplify the cocktail of possibilities and enable volunteers to gain access to funds more easily.

Julia Goldsworthy (Falmouth and Camborne) (LD): As my hon. Friend will be aware, in my career before joining the House I was a regeneration officer for Carrick district council and much of my role was devoted to helping local community groups bid for funding. Is he aware of the bureaucracy that those voluntary groups must go through and the difficulty that many of them experience simply processing the very many forms involved in finding out whether they are eligible for any funding?

Matthew Taylor: My hon. Friend is right to suggest that there is never a single pot or a single entry point, given the nature of government these days, but one or two counties have experimented with a single front door into the various funds. There has been an organisational pulling together of the opportunities. As development work is ongoing and liaison is taking place with organisations such as ACRE—Action with Communities in Rural England—I hope that there will be an effort to discover whether it is possible not just to provide funding through the Big Lottery Fund to renew such infrastructure, but to make the process more simple when those largely voluntary organisations seek to access the wide range of relatively small amounts of funding. We all know what community groups must do to get their new roof or to get their new project under way. They must put together a jigsaw puzzle of different, sometimes small funding pots that add up to the necessary total.

I hope that the Minister will be able to tell us some of the details and that he can indicate that work is being done to improve access to the funds. However, the announcement covers £50 million over three years. If that scale of money is made available regularly, it will allow the renewal of village halls over time. No one suggests that all the renewal will take place in two or three years. In 2002, a study estimated that the backlog of necessary repairs was worth some £400 million, and there is no reason to think that that figure will have declined since then. In that context, I hope that the Minister will recognise that it is also important that the funding should roll on into the longer term. I appreciate that it is unlikely that firm commitments can be made today, but I hope that the Minister will give me some indication that it is recognised that a one-off, three-year £50 million fund will not tackle the problem once and for all any more than the similarly sized millennium fund did. Some £50 million went into village and community halls through that fund. It was very welcome and made a huge difference, but unfortunately such buildings do not stop ageing, so the need for renewals does not stop. I hope that there will be some indication of a willingness to address the matter.

The new licensing laws have been discussed before, but I want to talk about the way in which they will affect community groups and village halls that are operated by volunteers. The Minister will be aware that a lot of campaigning has taken place on the requirement for community and village halls to have a specifically licensed individual if they hold more than 12 events a year involving alcohol. In the past it was possible to apply to magistrates before each individual event, and realistically, few community or village halls hold only 12 events involving alcohol a year. During a wedding party, fête or amateur-dramatics event, one can almost guarantee that a bottle or glass of wine will be on offer, or be available to be won, but that requires a licence holder. Parties that local people put on—even, dare I say it, Conservative, Labour and Liberal Democrat events—tend to attract a bottle of wine or two along the way.

I suspect that the Minister will say that most halls have managed to get their applications for licences in, which is true, but the problem is persuading volunteers to take on responsibilities that they perceive as possibly onerous. There has been an enormous effort to comply with the new laws and although not all halls have managed to do so, the majority have. However, people involved in those halls tell me that they had to twist arms to get volunteers to take on the responsibility and that it is extremely difficult to persuade people to do so. They think that it will take only one or two events to go wrong, with people being held to account for that, before the volunteers will start to dry up.

I hope that the Minister will be able to go back to his colleagues to determine whether there is a way in which such community facilities, given the wide variety of organisations that use them and the voluntary nature of the people who run them, could be given a facility for licensing that made more sense and did not make people think that they were taking on legal liabilities beyond their capacity or willingness. If halls find that they increasingly run into difficulty attracting volunteers and are thus able to put on fewer facilities, their steady income stream from making bookings will go. That income is the fundamental way in which halls keep going from day to day.

I have not come here to criticise the Minister. I welcome the announcement that has been made, for which hon. Members on both sides of the House and I have worked for a long time. We have clearly been listened to and that is good news.

10.33 pm

The Minister for Sport and Tourism (Mr. Richard Caborn): I thank the hon. Member for Truro and St. Austell (Matthew Taylor) for raising an important issue. The Big Lottery Fund must have noticed that he had secured today's debate and thus announced the £50 million funding—I do not know whether that is true or not. I am grateful for the opportunity to emphasise the fact that the House recognises the importance of village and community halls to the local services, well-being and necessary regeneration of rural communities.

We understand that funding for new or replacement halls must come for a vibrant partnership. As the hon. Gentleman said, that partnership is made up of each local community and district, with county, regional and national bodies. We welcome the superb work that the Big Lottery Fund has undertaken in helping village halls to continue to play a vital role in many communities throughout the land.

There are a wide number of reasons why village halls play such an important role in community life. The amenities that they provide are integral to the communities that they serve. They influence the survival of many community groups, local societies and interest societies. It is important that such groups continue to attract new members, and they improve the quality of life for many local residents. Furthermore, village halls increase community involvement and cohesion, so they need diverse community support to survive and to attract funding. When I was the licensing Minister, I responded positively to representations from Action with Communities in Rural England about the number of events in such venues. I am not au fait with all the details, but I will take up the points that the hon. Gentleman made with the Under-Secretary of State for Culture, Media and Sport, my hon. Friend the Member for Stalybridge and Hyde (James Purnell), who is now responsible for licensing.

Community halls are important, because they aid the provision of public services such as surgeries, outreach GP services, libraries, clubs and social events. As the Minister for Sport and Tourism, I am pleased that many of them offer physical activities and run walking clubs. I was in Cornwall only a few weeks ago and met members of a vibrant walking club who had ended a walk at the Eden project. Many of those clubs are being run from village halls, which is welcome.

Those are a few examples of the services that village halls provide and which reach out to communities, especially disadvantaged ones. Village halls provide a place for family learning, which encourages and enables lifelong learning and includes a wider range of activities and roles than those traditionally provided by libraries, as the hon. Gentleman mentioned. That service will help to develop the untapped potential of libraries, as village halls are uniquely placed to offer a focus for community activity and development by widening their traditional role and providing a true community resource. I am pleased to be able to highlight the fact that the national lottery has supported community and village halls in a number of ways, and there has been a huge amount of good work in this area. The hon. Gentleman spoke warmly about the role of the Millennium Commission, which provided £65 million, while the Community Fund has awarded over £138 million to community buildings since 1995. That funding was viewed in a very positive light. Other distributors have funded appropriate projects within their remit for village halls and community buildings.

Overall, the national lottery has awarded £258 million to village and community halls in the past 10 years. We would all agree that that impressive figure is evidence that the national lottery supports community buildings in a substantial and fundamental way. The Big Lottery Fund, as a major funder for communities, is building on the strengths and successes of what has gone before, as well as introducing exciting new approaches. Yesterday, as the hon. Gentleman said, the Big Lottery Fund announced that it will make £50 million available over three years through the community buildings programme to projects across England. That programme will focus solely on civil renewal. The hon. Gentleman asked me to spell out the criteria for that programme, but unfortunately I cannot do so because they have not been settled. The programme has been agreed in principle and it will become operational in 2006. I will, however, relay to the Government the points that he made about funding regimes posing difficulties for applicants.

Matthew Taylor: I very much doubt whether we are going to disagree on anything tonight—that is the advantage of making an announcement before the debate. I hope the Minister agrees that, since the end of the millennium fund, the key thing that has fallen through the net is the renewal of the existing infrastructure. The press release appears to suggest that that is intended to be a major component, but I would be grateful if the Minister confirmed that he expects that to be the case

Mr. Caborn: I do, because the criterion is civil renewal. There has been substantial investment in village and community halls. We need to build on that, and make sure that they maintain existing services. Moreover, the need for library and communication services needs to be reconsidered. Hopefully, the civil renewal criterion will enable us to ensure that village and community halls are kept in good repair and can offer further services. With the changing landscape in rural areas, we need to keep on top of that. It is important that there are not information haves and have-nots, and community halls can play a significant role in that. I do not disagree with the hon. Gentleman's remarks, and I will make sure that his points are conveyed to the Big Lottery Fund.

The National Lottery Bill, which is currently in Committee, will bring into being the Big Lottery Fund. Through that Bill we will establish a one-stop shop. I recognise the frustration experienced by many applicants, especially small organisations. We are trying to get the Big Lottery Fund to take responsibility for a clearing house or one-stop shop for all lottery funding. Such an arrangement will help smaller organisations in particular to access lottery money.

The lottery will continue to evolve in a number of ways. It will be able to give advice to organisations and offer loan facilities as well. That combination will assist smaller organisations to apply for lottery funding. The Government do not disagree with the principle of additionality, but sometimes we take it to the point where it militates against the involvement of other funding streams. When organisations such as the regional development agencies and local authorities are involved, we must be creative, while acknowledging that the lottery exists to provide additional funding. The additionality principle is important. I hope that what we are doing through the National Lottery Bill will allow more joined-up working of funding streams, remove frustration, add one-stop shops and achieve added value for the money going into schemes.

[Mr. Caborn]

That is what we will be doing over the next few weeks. If the hon. Gentleman will convey that to his Front-Bench colleagues, particularly the hon. Member for Bath (Mr. Foster), and encourage them to support the changes proposed by the Government, we will get through the Committee sooner than we would otherwise do. We will then be able to ensure that the Big Lottery Fund is delivering what the hon. Member for Truro and St. Austell (Matthew Taylor) wants, in time for his next Adjournment debate.

Question put and agreed to.

Adjourned accordingly at eighteen minutes to Eleven o'clock.

House of Commons

Wednesday 26 October 2005

The House met at half-past Eleven o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

NORTHERN IRELAND

The Secretary of State was asked—

Decommissioning

1. **Sir Nicholas Winterton** (Macclesfield) (Con): If he will make a statement on the decommissioning of IRA weapons and explosives. [20234]

The Secretary of State for Northern Ireland (Mr. Peter Hain): I congratulate the hon. Member for North Antrim (Rev. Ian Paisley) on his appointment to the Privy Council. [HON. MEMBERS: "Hear, hear."]

General de Chastelain's report that the IRA's arsenal of weapons had been decommissioned marked a landmark in opening the way forward to a peaceful and democratic future for Northern Ireland, coming as it did after the IRA's statement in July.

Sir Nicholas Winterton: I join the Secretary of State in congratulating the hon. Member for North Antrim (Rev. Ian Paisley) on his Privy Councillorship—much deserved and, if I may say so, long overdue. *[Interruption.]* Indeed, the right hon. Member for North Antrim. May I ask the Secretary of State how General de Chastelain and the two witnesses could be so certain that all the IRA weaponry and explosives had been put beyond use? How and why did the intelligence services downgrade their estimate of weapons and explosives? Is it not time that the Government stopped pandering to the terrorist thugs of Sinn Fein-IRA and provided equality of treatment and fairness for the Unionist population?

Mr. Hain: I thank the hon. Gentleman for his remarks about the hon. Member for North Antrim—

Sir Nicholas Winterton: The right hon. Member for North Antrim.

Mr. Hain: I am not sure that the hon. Member for North Antrim has taken the oath yet, but I stand to be corrected on that. Hopefully, he will have done so by the next Northern Ireland questions.

I quote—it is important for the House—from the statement made by the independent international agency for decommissioning. It determined that

"the IRA had met its commitment to put all its arms beyond use in a manner called for by the legislation".

Everybody understands that General de Chastelain and his fellow commissioners are people of total integrity and independence. They have made the position absolutely clear and I have just quoted them.

Rev. Ian Paisley (North Antrim) (DUP): I thank the right hon. Gentleman and the hon. Member for Macclesfield (Sir Nicholas Winterton) for their remarks. I am grateful to them and to the House for their reception of me this day.

I remind the Minister that the general and the two witnessing clerics put it firmly on the record that the arms that they saw decommissioned were largely old arms. The priest who was there said, "If you put them to your chest and pulled the trigger, they might kill you." That is a serious statement, which was added to: the real modern weapons formed a tiny percentage of the arms. Does that not worry the Secretary of State? We know that the IRA has modern weaponry, which needs to be put away. It is essential that that is done.

Mr. Hain: It is indeed essential that all weapons are put away, to use the hon. Gentleman's phrase. I think he will agree, however, that the statement made by General de Chastelain and verified by the two independent clergymen was emphatic that the IRA's arsenal had been put beyond use. We must recognise that that was the view of the independent commission.

Mark Durkan (Foyle) (SDLP): The IRA's failure to decommission is what caused suspension in the first place. Now that the IRA has decommissioned, does the Secretary of State recognise that we should be clearly on a countdown to restoration of the institutions? In order to give the public confidence in that regard, does he believe that the politics of the concession of the weak, with parties doing handstands one week and head staggers the next, combined with a budget that hits the weak with a tax hit for years, is the best way to give the Northern Ireland public confidence that we are moving to taking responsibility ourselves?

Mr. Hain: It is crucial that the Independent Monitoring Commission's reports—the first one, which I published last week, and the one expected in January—become a bible for testing whether the promises to end paramilitary and criminal activity have been delivered on the ground. So far, so good. If and when that is clear, there will be no reason for parties not to engage in discussions towards the resumption of power sharing. The draft budget that I published yesterday, to which the hon. Gentleman referred, proposes a massive increase in health spending: an extra £450 million, and a massive increase in education spending—an extra £100 million. Yes, rates will go up by 19 per cent. to fund new child care support, new skills and science investment and new investment in renewable and clean energy, but I should have thought that the hon. Gentleman welcomed that as it will assist the most vulnerable in Northern Ireland.

Sir Patrick Cormack (South Staffordshire) (Con): Does the Secretary of State accept that it would do much to restore public confidence if those who inflicted such terrible misery with the weapons that have been decommissioned expressed some regret or remorse?

Mr. Hain: Yes, I do.

Mr. David Anderson (Blaydon) (Lab): Will my right hon. Friend expand on a statement that he made the other week about on-the-runs legislation, which is obviously about people who have committed crimes, but, at least as important, what will be done about people being forced by terrorists to leave their homes—people who are exiled and have been for many years?

Mr. Hain: When we are ready to bring proposals for dealing with on-the-run suspects to the House, we will do so in the usual way, and we will have a chance to discuss them then. Exiling and punishments must stop. The IMC report showed that such activity had largely died out, but we are keeping a beady eye on it, because exiling is a pernicious practice, and if the IRA meets the terms of its commitments made on 28 July, exiling should stop, just as much as punishment beatings, targeting, intelligence gathering, and all the rest of it.

Lorely Burt (Solihull) (LD): The Liberal Democrats of course welcome the decommissioning of IRA weapons, as was confirmed by the de Chastelain commission on 26 September, but does the Secretary of State recognise that the long delay has damaged the peace process? Does he agree that one way in which the IRA could help others to gain trust is by publicly stating that anyone who has been exiled from their home by the IRA during the troubles is free to return home safely and without retribution?

Mr. Hain: I agree. The hon. Lady makes an important point on exiling. Yes, it would have been much better if decommissioning had occurred much earlier; if it had, there would be less suspicion within Northern Ireland, especially within Unionist communities, about the IRA's real intentions. However, the decommissioning and the statement made before it are an historic event. A year, or even two years ago, no one would have said that it would have been possible. It has now happened.

Mr. David Lidington (Aylesbury) (Con): I associate myself and my hon. Friends with the Secretary of State's congratulations to the hon. Member for North Antrim (Rev. Ian Paisley).

I welcome the act of decommissioning, but does the Secretary of State agree that over the years the Provisional IRA has accumulated enough money from bank robberies and other crimes to afford to re-arm itself, should it ever choose to do so, and that what we therefore need now is not the decommissioning of weapons and explosives only, but the decommissioning of the IRA's paramilitary organisation and its command structure, so that we can start to believe that this step by republicans is permanent and irreversible?

Mr. Hain: I understand the hon. Gentleman's points and I welcome the fact that he too regards the decommissioning that occurred and the statement on 28 July promising an end to armed struggle—in the IRA's own words—as very significant, as the IMC statement made clear when it was published last week. It is interesting to quote from that statement. In respect of the Provisional IRA it says:

> "We have no evidence of training or recruitment after the 28 July statement. There are indications that the organisation's intelligence function remained active though its focus may be becoming more political. There has also been some identifying of drug dealers, though it is not clear for what purpose."

So there is still something going on. That is why the statement in the report in January is very important.

Mr. Lidington: But as the Secretary of State indicated, the IMC declared in its report that it was too early to tell whether the steps that republicans have taken are indeed permanent and irreversible.

Will he explain why he has rushed to restore the Stormont and Westminster allowances to Sinn Fein, given that the IMC, which he prayed in aid, explicitly refused to make that recommendation? Should not Sinn Fein have to wait until it agrees to play by the same democratic rules that we expect of every party in Britain and every party on the island of Ireland?

Mr. Hain: Sinn Fein has committed itself to maintaining and playing by those rules. We will have to judge whether that is fulfilled. I thought that it was the right decision. I am sure that if, in those circumstances, the hon. Gentleman had been standing in my shoes at this Dispatch Box, he would have taken the right decision. It is for the House to decide what it does about the Sinn Fein allowances, which were suspended earlier this year. However, I thought that it was right to recommend to the House that Sinn Fein's allowances in the Assembly be restored in view of the enormous historic progress that has been made, which, to be fair, the hon. Gentleman has welcomed.

Police Service of Northern Ireland

2. **Mr. Shahid Malik** (Dewsbury) (Lab): What assessment he has made of the level of public confidence in the Police Service of Northern Ireland; and if he will make a statement. [20235]

The Parliamentary Under-Secretary of State for Northern Ireland (Mr. Shaun Woodward): Public confidence in the police in Northern Ireland is increasing. That is a tribute to the good work of the police, the Policing Board, the police ombudsman and the district policing partnerships.

Mr. Malik: I thank my hon. Friend for that reply. As a former Northern Ireland equality commissioner, I, too, welcome the decommissioning. From my experience, I am acutely aware of the importance of instilling confidence in the police across all communities in Northern Ireland. Does my hon. Friend agree that to achieve that we need significant improvements in crime reduction and crime detection?

Mr. Woodward: I entirely agree with my hon. Friend. I am sure that the House would congratulate the Police Service of Northern Ireland on the huge improvement in public confidence in recent years. Central to that are the improvements in crime reduction and crime detection. Crime in Northern Ireland is now at its lowest level in six years. Last year, recorded crime fell by nearly 8 per cent. on the previous year, and burglary and car crime fell by 18.3 per cent. and 23.7 per cent. respectively. The public's growing confidence in the PSNI is clearly justified.

Mr. Gregory Campbell (East Londonderry) (DUP): I join in congratulating my hon. Friend the Member for North Antrim (Rev. Ian Paisley) on his recent elevation.

The Minister will be aware that part of the reason for the reduction in confidence in the police among the Unionist community is the legalised discrimination that has prevented 3,500 of them from joining, despite their being suitably qualified. Following the figures released last week, which show that if the merit principle had been applied 26 per cent. of recruits would have been Roman Catholic, will he establish the merit principle so that everyone can join the police in Northern Ireland on a non-discriminatory basis?

Mr. Woodward: Fifty-fifty is a temporary provision to ensure that we meet the target set by Patten that 30 per cent. of the PSNI should be Catholic. Parliament will, of course, review it in 2007. The vast majority of unsuccessful qualified candidates, Catholic and Protestant, are rejected because there are greater numbers of applicants than available places. We should celebrate the fact that so many young people now wish to pursue a career in the PSNI. It is also worth remarking that fewer than 2 per cent. of all non-Catholic applicants are rejected as a direct result of the 50:50 provisions.

Mr. Eddie McGrady (South Down) (SDLP): Does the Minister agree that confidence in the new Police Service of Northern Ireland would be greatly enhanced if the Northern Ireland Office discouraged the creation of the so-called community restorative justice groups, which work outside the criminal justice system, and many of which are operated by Sinn Fein, as—I quote from it—

"a viable alternative to the PSNI"?

When will the Northern Ireland Office act against such bodies, which seek to usurp the normal role of the police in our community and which, in their execution—I use that word—in the local community, represent a gross infringement of personal human rights?

Mr. Woodward: Work is ongoing to produce guidelines that encapsulate safeguards, which will be discussed with members of community-based schemes and other interested parties in due course. The Government recognise that community restorative justice schemes have a part to play in helping to secure a normal society, but it is crucial that they work actively to uphold the human rights of all and that their members are prepared to work with statutory agencies, which, of course, means the police.

Lady Hermon (North Down) (UUP): How would the Under-Secretary encourage the family of Lisa Dorrian to maintain confidence in the police investigation some eight months after her murder and without the recovery of her body?

Mr. Woodward: I pay tribute to Lisa's family for their brave determination. In doing that, it is appropriate to acknowledge the hon. Lady's work. She has worked tirelessly alongside the family to ensure that justice is done. I have met the family and I shall do so again shortly. The Chief Constable continues to take an interest in the case. He is ensuring that maximum resources are used and agrees with me and my hon. Friends that we should use forensic experts to help to find Lisa's remains. The investigation is ongoing and we can only hope that we find Lisa's remains before long and bring the perpetrators of her death to justice.

Mr. Adrian Bailey (West Bromwich, West) (Lab/Co-op): Does the Under-Secretary agree that confidence in the Police Service of Northern Ireland will not be fully achieved until it fully represents all the communities in Northern Ireland? Will he join me in praising those members of the Catholic community who have joined the police service, despite the opposition of some of their political representatives? Will he reassure me that he will continue to work to ensure that all the political parties in Northern Ireland support a policy that will enable the force to be truly representative?

Mr. Woodward: I am tempted simply to say that I agree with my hon. Friend's comments. It is essential that there is wholehearted support throughout the community in Northern Ireland for the police and those members of the police who work tirelessly for everyone in the community.

Mr. Laurence Robertson (Tewkesbury) (Con): May I return to the restorative justice schemes? Will the Under-Secretary guarantee that the Government will not fund any of them without the full support of the police? The police should not only be consulted but participate fully in the schemes and be present at their implementation. Will he give that guarantee?

Mr. Woodward: We do not currently fund those schemes and we do not plan to do so.

Meg Hillier (Hackney, South and Shoreditch) (Lab/Co-op): Does my hon. Friend agree that the Police Service of Northern Ireland sets a gold standard for ombudsman's services? Does he agree that, as the service gains support across the communities, it deserves the full support of all parties in Northern Ireland?

Mr. Woodward: The police ombudsman is an important part of the police service that is offered to the community in Northern Ireland. I am pleased to tell hon. Members that confidence in the ombudsman is at an all-time high. A recent survey found that 78 per cent. of respondents were confident that the police ombudsman dealt with complaints impartially and that 78 per cent. believed that the police ombudsman would help to ensure that the police do a good job. That is a good record and we shall work to improve it even further.

Paramilitary Organisations

4. **Mr. Peter Robinson** (Belfast, East) (DUP): What evidence he has received of the dismantling of paramilitary organisations in Northern Ireland. [20237]

The Secretary of State for Northern Ireland (Mr. Peter Hain): The IRA has taken major steps this year. The 28 July statement and the independently verified decommissioning of the IRA's arsenal of weapons are historic. The IMC report published on 19 October stated that the initial signs are encouraging. It is high time that loyalist paramilitaries decommissioned too.

Mr. Robinson: Will the Secretary of State take it from me that my colleagues and I and, indeed, the whole community in Northern Ireland believe that it is time for all the paramilitary organisations, loyalist and republican, to shut down and disband? Does he also accept that the overwhelming majority of people in Northern Ireland fear that the Government are intent on repackaging the paramilitaries as community restorative justice officers or as part of some community support service? Will he assure us that we can see the back of paramilitaries rather than seeing them in a new guise? Will he give his interpretation of the statement that he read out earlier from the IMC report—a report that he flagrantly disregarded—about the IRA involving itself in political intelligence gathering?

Mr. Hain: I agree with many of the points that the hon. Gentleman makes about what the people of Northern Ireland want. They want a total end to all paramilitary and criminal activity. In respect of community restorative justice schemes and police community support officers, there is no question at all of paramilitaries going straight into becoming police community support officers—if we proceed with the plan to introduce them in Northern Ireland—or into running community restorative justice schemes. Both programmes will be established in accordance with the rule of law, and both—especially the recruiting of police community support officers—will be established according to the normal criteria for police recruitment. The hon. Gentleman's concerns are not well founded, and I am sure that he will come to support what we are trying to do.

Lembit Öpik (Montgomeryshire) (LD): May I add my congratulations to the almost right hon. Member for North Antrim (Rev. Ian Paisley)?

The paramilitary organisations are known to smuggle large quantities of fuel across the border, yet paragraph 5.16 of the IMC report recommends the introduction of

"licensing regimes which would enable the closure of businesses which have been engaged in the illicit fuel trade, and would keep out of the industry all those shown to have been involved in that illicit trade".

Has that recommendation been enacted, and, if so, how effective have the Government been in truly eliminating these rogue traders from the Northern Ireland fuel trade?

Mr. Hain: This matter is a priority for the Organised Crime Task Force. I share the hon. Gentleman's concern, and we will look carefully at the IMC recommendations. He will be encouraged to know that fuel smuggling is already the subject of vigorous action, with 160 customs officers employed to break up the criminal gangs involved in oil fraud. The latest available figures show that deliveries of legitimate road fuel have increased for the third year running. The illicit market appears to be shrinking, but we shall continue to crack down on it.

Dr. William McCrea (South Antrim) (DUP): Does the Minister understand that the Unionist population in Northern Ireland will accept nothing less than the dismantling and disbandment of the Provisional IRA?

Mr. Hain: We all expect the promise made by the IRA on 28 July—to close down all its paramilitary activity, end its armed campaign and stop criminal activity—to be implemented in full. That is the position around which we should unite and on whose delivery we should insist.

Olympic Games

5. **Jim Dobbin** (Heywood and Middleton) (Lab/Co-op): What assessment he has made of the potential for Northern Ireland to benefit from London's hosting the 2012 Olympics. [20238]

The Minister of State, Northern Ireland Office (Mr. David Hanson): The Government are determined to maximise the opportunities available to Northern Ireland as a result of London's successful bid for the Olympics. We will aim to increase participation and performance in sport, and to leave a legacy for sport, tourism and the economy on the back of London's success.

Jim Dobbin: Will my hon. Friend confirm his intention to encourage the whole of Northern Ireland—I stress, the whole of Northern Ireland—to take advantage of the opportunities that the 2012 games will offer? Will he describe the steps that he has taken so far to bring that about?

Mr. Hanson: I certainly want to see the whole of Northern Ireland involved in support for the London Olympic games. So far, we have commissioned a report to explore the opportunities for Northern Ireland that will arise from London's successful bid. I want to see some events organised in Northern Ireland, and I want Northern Ireland to bid for training camps to support our athletes and those from other countries. I also want to see volunteers taking part, and to see excellence in competitors and a wider participation in sport, so that medals can come back from the London Olympics to Northern Ireland.

Mrs. Iris Robinson (Strangford) (DUP): In answer to a question from my hon. Friend the Member for Belfast, East (Mr. Robinson), the Minister for Sport and Tourism, the right hon. Member for Sheffield, Central (Mr. Caborn) stated:

"If Northern Ireland builds its planned national stadium, we will consider incorporating this venue as a location for the Olympic football competition."—[*Official Report*, 24 October 2005; Vol. 438, c. 67W.]

Will the Minister be a little more positive and give the House a commitment that Northern Ireland will get that event if the stadium is built, rather than simply being considered for it?

Mr. Hanson: I can certainly reassure the hon. Lady that we want to see events taking place in Northern Ireland as part of the Olympics in 2012. We shall have to look at the economics involved in the stadium that we are planning, and we shall have to get sport buy-in. If the stadium is successful, and I very much hope it will be, I hope that we shall be able to attract sports from the Olympic games to participate there. We will do all that we can to ensure that we achieve that aim.

Punishment Beatings

6. **Mr. Ben Wallace** (Lancaster and Wyre) (Con): If he will make a statement on punishment beatings and kneecappings which have taken place in the Province since July. [20239]

The Secretary of State for Northern Ireland (Mr. Peter Hain): The most recently published information is set out in the seventh Independent Monitoring Commission report, which shows that shootings and assaults by paramilitaries are at a historic low. Even that low rate remains unacceptable, however, and the Government condemn all such attacks unreservedly.

Mr. Wallace: The Secretary of State will know that it is extremely hard to carry out a kneecapping without the use of a handgun. Does he agree that any punishment beatings or kneecappings related to the IRA that have happened since July will directly contradict General de Chastelain's report of July, and that Sinn Fein-IRA will therefore have proved that they have not decommissioned or put out of use all their weapons?

Mr. Hain: As the IMC report published last week made clear, the initial signs following the Provisional IRA's statement are encouraging in respect of all its activity, with a notable and sharp decline in all the activity to which the hon. Gentleman referred.

PRIME MINISTER

The Prime Minister was asked—

Engagements

Q1. [21329] **Mr. Mark Lancaster** (North-East Milton Keynes) (Con): If he will list his official engagements for Wednesday 26 October.

The Leader of the House of Commons (Mr. Geoffrey Hoon): I have been asked to reply. As the House will be aware, my right hon. Friend the Prime Minister is in Strasbourg today addressing the European Parliament. My right hon. Friend the Deputy Prime Minister is currently visiting Slovenia, Cyprus and Croatia, meeting Heads of Government as part of our presidency of the European Union.

Mr. Lancaster: I have campaigned long and hard for i before e—infrastructure before expansion—for Milton Keynes, a campaign which I am sure the Leader of the House supports. Assuming that he does, can he explain to my constituents why, over the past four years, this Government have taken £500 million via English Partnerships out of Milton Keynes and put just £200 million into Milton Keynes—a net deficit of £300 million? Does he wonder why my city's infrastructure is crumbling, or do we need a new rule: i before e, except after B, Brown?

Mr. Hoon: The hon. Gentleman agrees entirely with my right hon. Friend the Deputy Prime Minister, who has made it absolutely clear that it is important to get infrastructure right before we allow the expansion of our towns and cities—a lesson that we learned from the failures of the Conservative Government, who allowed unlimited expansion of those towns and cities without any regard for infrastructure.

Q2. [21330] **Derek Wyatt** (Sittingbourne and Sheppey) (Lab): Given the number of computer scientists, biotechnologists and MBA graduates, and the quality of those students coming out of China and India, what assessments have we made of their systems and of whether we should implement any of their institutions here?

Mr. Hoon: Let me make it clear to my hon. Friend that we are extremely proud of our universities and higher education and the contribution that they make to our economy. Graduates from our universities are respected for their qualifications right around the world, and many students come to this country from India and China: in 2003–04, 41,550 came from China and 12,660 from India. We recognise the value that both those countries place on our education and, increasingly, our higher education. United Kingdom universities and colleges are working in both those countries, and I might mention the excellent example of Nottingham university, which has a campus in both China and Malaysia.

Chris Grayling (Epsom and Ewell) (Con): Since it was introduced in 2002, how many schools have been granted earned autonomy?

Mr. Hoon: What is important is that we continue to value the efforts that teachers and head teachers make in this country to protect the interests and education of the overwhelming majority of our children. The difference between the Government and the Opposition is that we are concerned with the majority, not simply with a privileged few.

Chris Grayling: Well, there's a surprise: the Leader of the House did not answer the question. Let me help him. Earned autonomy was a flagship policy which the Prime Minister promised would increase school freedom—and what was the result? Since its introduction, not a single school has been granted earned autonomy.

What about the Prime Minister's other flagship policy, the promise to give popular schools the capital with which to expand? How many schools have benefited from that?

Mr. Hoon: Again, the answer is clear. Since 1997 the Government have sought to reverse the disastrous education policies of our predecessors. Time and again we have invested in our schools, and provided extra teachers and support staff. That contrasts starkly with the way in which the Conservative Government ran down education.

Chris Grayling: Let me help the Leader of the House again. The Prime Minister promised that good schools would be given the money with which to expand. So far, only seven out of 21,000 schools have received that money. This week we have seen another set of promises on school reform from the Prime Minister, delivered in the teeth of opposition from the Cabinet. Why on earth should anyone believe that they will be delivered this time?

Ministers have fallen out on education, and they have fallen out on smoking. Is it not the case that we have a Cabinet in disarray, and a Prime Minister who has lost the authority to lead the Cabinet?

Mr. Hoon: I thought that my right hon. Friend the Secretary of State for Education and Skills put the Government's position extremely well yesterday.—*[Interruption.]* I am sorry that Opposition Members are scoffing at the vital issue of education for our children. This is what the Secretary of State said—Opposition Members should listen to it, and take note:

"Every child matters, and children have only one chance of a good school education. Our ambition is for every child to get that chance and to develop their talents".—*[Official Report,* 25 October 2005; Vol. 438, c.169.)

While Labour is committed to improving every child's opportunity, it is clear from the observations of the hon. Member for Witney (Mr. Cameron), and indeed from every contribution from Conservative Members, that Conservative Members are concerned only about protecting the rights of the privileged few.

Mr. Khalid Mahmood (Birmingham, Perry Barr) (Lab): Will my right hon. Friend join me in expressing regret for the loss of life that resulted from the tragic events in my constituency at the weekend? Will he join me in paying tribute to the emergency services, particularly the police, one of whom was shot? Luckily he survived, and is recovering in hospital. Will my right hon. Friend also pay tribute to all the members of the community who have not been easily taken in by a small criminal element who want to divide the community, but have not succeeded? Will he ensure that those people are supported, so that our communities in Birmingham, including those in my constituency, stay together? What those communities need is unity and consistency.

Mr. Hoon: I join my hon. Friend in expressing my condolences to the families who have suffered bereavements. I also pay tribute to the police and to those in the community, including my hon. Friend, who are working to resolve a difficult situation.

We condemn the violence that took place at the weekend. Violent behaviour can never be seen as a legitimate form of protest. We welcome the positive way in which the police have worked with community representatives, and the positive statements made by representatives of all communities over the weekend.

Mr. David Heath (Somerton and Frome) (LD): It is now three months since the horrific attacks on the London underground. What practical action has been taken to make the British transport system safer?

Mr. Hoon: My right hon. Friends the Home Secretary and the Secretary of State for Transport have been working closely together to ensure that the already high standards of protection for people using public transport have been properly reviewed and considered, and that steps have been taken to ensure, as best we can, that there can be no repetition of that terrible disaster.

Mr. Heath: What does the Prime Minister's own delivery unit say about the Government's approach to fighting terrorism?

"The strategy is immature, the forward planning is disjointed, and accountability for delivery is weak".

Does the Leader of the House not realise that it is not possible to fight terrorism by simply introducing ever more draconian legislation? Is it not time we gave our police and security forces the extra resources and manpower that they need, and a properly constituted national border force? Would that not be rather better than wasting millions of pounds on an identity card scheme that will not stop a single terrorist?

Mr. Hoon: It might be rather better if, for a change, the Liberal Democrats lived in the real world and listened to the police, instead of commenting on leaked documents. The police have made it clear what they require: they would like to have a three-month period in which they can hold suspected terrorists before charge. The Liberal Democrats oppose that. The police have made it clear that they need a range of provisions in a new Terrorism Bill that would allow them to do their job properly and protect the people of this country. As I understand it, the Liberal Democrats oppose that as well. The hon. Gentleman should go back to his constituents and ask them what they think about the efforts that we need to make to protect this country from terrorism.

Mr. Tom Harris (Glasgow, South) (Lab): One in five men of working age in the city that we both represent, Mr. Speaker, is claiming incapacity benefit—an unsustainable position for the long-term prosperity of individuals, families and Glasgow itself. Does my right hon. Friend accept that more radical measures than have previously been tried now need to be implemented if we are to move significant numbers of incapacity benefit claimants off benefit and into work?

Mr. Hoon: I am grateful to my hon. Friend for that question. As he knows, my right hon. Friend the Secretary of State for Work and Pensions is looking urgently at reforming our welfare system to ensure that those who deserve assistance receive it, and that those currently in receipt of incapacity benefit have opportunities and pathways back into work. That is central to the Government's determination to improve the level of welfare support, and to ensure that people have employment opportunities.

Q3. [21331] **Mr. Adrian Sanders** (Torbay) (LD): The Leader of the House twice said earlier that the Government are concerned with the majority and not with the privileged few, so will they make it their policy to ensure that future test matches involving England are available on free-to-air TV channels, and not just to the privileged few who can afford pay-per-view?

Mr. Hoon: Curiously, the hon. Gentleman would normally argue that such matters are not for the Government but for others to resolve. Of course, that is the position so far as this matter is concerned, but my right hon. Friend the Secretary of State for Culture, Media and Sport has made it clear that it is subject to review, and that we will look at it again in the future.

Q4. [21332] **Keith Vaz** (Leicester, East) (Lab): On 10 November last year, the mother of the murdered Leicester schoolchild Stephan Pakheera told the Prime Minister that she believed that her son's killer was influenced by the video game "Manhunt". Last week in Sheffield, a young schoolgirl, Shani Naylor, was seriously injured by bullies, and 31,000 children complained to ChildLine about bullying last year. Does the Leader of the House share my concern at the decision of Rockstar Games to publish a new game called "Bully", in which players use their on-screen persona to kick and punch other schoolchildren? Will he ask the Prime Minister to refer this video game to the British Board of Film Classification, and if it does not make any changes, will the Government use their powers to ban this video game?

Mr. Hoon: First, I pay tribute to my hon. Friend for his excellent work in this difficult and sensitive area. We have certainly been working very closely with the video games industry to ensure that young people have access only to games that contain material appropriate for them, and that parents have information on what material a game contains. I understand that my hon. Friend has met the Minister with responsibility for creative industries, my hon. Friend the Member for Stalybridge and Hyde (James Purnell), and that he will shortly be discussing this particular case with the Department for Education and Skills. It is important to remember, however, that the distributors have yet to put this game to the BBFC for consideration of an appropriate rating, so the precise nature of its content—disturbing though it sounds—and the degree to which it might be considered harmful to children is not yet fully known.

Chris Grayling (Epsom and Ewell) (Con): Can the Government guarantee energy supplies to business and domestic consumers this winter?

Mr. Hoon: Yes, they can, and we are looking at this matter very carefully. Obviously, that will depend on the nature of this winter's weather, but we are prepared for all contingencies.

Chris Grayling: Did the Leader of the House listen to the comments this morning of his own Energy Minister, who said that he has "no idea" how bad gas shortages this winter might be?

Mr. Hoon: I have made clear the Government's position. We are prepared, and we plan each winter for whatever contingencies arise. The situation is no different this winter; we will be ready.

Chris Grayling: So has the Leader of the House noted the comments of the director-general of the CBI? He said that

"if we have a cold winter, we are going to throw the switch, business will shut down, people will lose their jobs".

Let us be absolutely clear: is the Leader of the House willing to give a clear and unequivocal guarantee that our businesses will have all the gas that they need this winter?

Mr. Hoon: I find remarkable the hon. Gentleman's coming to the Dispatch Box and saying that, given the disastrous period of Conservative Government when, frankly, energy was not a priority. They ran down the British coal industry without any regard whatsoever to alternatives. This Government plan and prepare, and we will plan and prepare for this winter.

Q5. [21333] **Harry Cohen** (Leyton and Wanstead) (Lab): This week has seen a successful visit of 11 Tibetan MPs in exile. In a fortnight's time, Premier Hu Jintau of China—Premier Hu rather than premier Hoon—pays a visit. Will my right hon. Friend put pressure on the premier for more high-level talks—perhaps even talks between Premier Hu and the Dalai Lama—to try to resolve the present injustice to Tibetans?

Mr. Hoon: I can assure my hon. Friend that I am very happy with my daytime job. My right hon. Friend the Prime Minister will certainly discuss a wide range of issues with President Hu during the forthcoming state visit. The Prime Minister regularly raises human rights issues, including Tibet, when he meets Chinese leaders. The Government have encouraged the Chinese Government to continue their contact with the Tibetans, including the Dalai Lama's representatives, in order to seek a lasting solution to the problem. We have told both sides that a meaningful dialogue is the best way to achieve a peaceful, sustainable and legitimate solution to the issue.

Mr. Eric Pickles (Brentwood and Ongar) (Con): Does the right hon. Gentleman share my concern that secrecy surrounding the Children Act 2004 is having a corrosive effect on justice and on social services departments? Surely it is possible to retain the anonymity of the child without the appalling restrictions on parents facing forced adoptions. They often face a greater degree of control than someone facing a criminal charge. In particular, they are unable to tell their employers why they are taking so much time off work, which places

parents with learning difficulties at a peculiar disadvantage. Will the right hon. Gentleman look towards opening up the decisions of the courts and, following the suggestion of the Select Committee, find ways of making the operations of the Children Act much more open?

Mr. Hoon: Many years ago, I worked on cases of this sort and I appreciate the sensitivity of the matters involved and the way in which the hon. Gentleman has raised this important issue. I know that my right hon. and learned Friend the Lord Chancellor—and, indeed, the Department for Constitutional Affairs—is looking at ways of opening up the process without in any way jeopardising the interests of those involved. It is a delicate and sensitive issue. I am aware of efforts to open up the process in the United States, which have been broadly welcomed by the parties concerned, and I know that the Lord Chancellor is studying what happens there very carefully.

Q6. [21334] **Ben Chapman** (Wirral, South) (Lab): Does my right hon. Friend believe that action is long overdue in relation to the mass of advertising hoardings that now line our motorways? They despoil the landscape and distract drivers. Frankly, from the advertisers' point of view, if they do not distract, they do not work.

Mr. Hoon: My hon. Friend raises an important issue and the Government take the matter very seriously indeed. I want to make it clear that the display of advertising hoardings alongside motorways and trunk roads without the consent of the local planning authority is a criminal offence and that local authorities have powers to bring prosecutions in such cases. Indeed, in June this year, we wrote to all local authorities to remind them of their powers and to urge them to take action to get the adverts removed. Moreover, we will consult on new control of advertisement regulations before the end of the year.

Sammy Wilson (East Antrim) (DUP): Will the Minister explain the reasoning behind the inflation-busting 19 per cent. increase in the regional rate announced by the Secretary of State for Northern Ireland yesterday? That increase will have a devastating effect on lower and middle-income families and pensioners.

Mr. Hoon: The hon. Gentleman has just had the opportunity of raising that matter with Northern Ireland Ministers. I am certainly aware of extra investment in health and education across Northern Ireland. Obviously, such extra help requires paying for, but I know that my right hon. Friend the Secretary of State for Northern Ireland takes these issues into account in making his difficult judgments.

Q7. [21335] **Kerry McCarthy** (Bristol, East) (Lab): In the light of yesterday's education White Paper, will my right hon. Friend join me in congratulating the city academy in my constituency on its excellent set of GCSE results, which make it the most improved school in Bristol? Will he guarantee that all city academies and other types of school proposed in the White Paper will be required to operate a fair admissions policy?

Mr. Hoon: I am grateful to my hon. Friend for raising this issue. The city academy in Bristol has helped to create a step change in educational achievement, with the proportion of students gaining five GCSEs at grades A to C rising from 33 per cent. in 2004 to more than 50 per cent. this year. However, I assure her that all schools are required to have regard to the statutory code of practice on admissions. Where complaints are made, the school adjudicator is charged with ensuring that admissions policies are in line with the code. That will continue to be the position under the proposals announced yesterday by my right hon. Friend the Secretary of State for Education and Skills. She made that absolutely clear, and I repeat it today.

Q8. [21336] **Mr. Robert Goodwill** (Scarborough and Whitby) (Con): Jamie Oliver has led the crusade for healthy food in our schools, but one does not have to look too far to see that schools are not the only place where obesity is a problem. Does the Leader of the House think that we should practise what we preach and encourage Members of Parliament to take more exercise and eat more sensibly?

Mr. Hoon: I have not seen the hon. Gentleman in the House of Commons gym at 7.15 am, but I look forward to doing so the next time I am there. Quite a few of my Front-Bench colleagues use that gym: we set a very good example and do not just talk about staying fit. Incidentally, Jamie Oliver has paid tribute to the Government for their efforts to promote better food in schools.

Q9. [21337] **Laura Moffatt** (Crawley) (Lab): My right hon. Friend will be aware of the enormous debt carried by the Surrey and Sussex health care trust, which may threaten patient care in my constituency. What would he say to those hard-working campaigners trying to get facilities back in Crawley, given that they are dealing with a trust that has so much debt around its shoulders?

Mr. Hoon: As I have made absolutely clear when the question has been raised with me before, an enormous amount of extra spending is going into the national health service. It is vital that local authorities responsible for administering that extra money get their finances in order before any further and extra investment can be considered. However, I understand that a new management team is in place in the trust in my hon. Friend's constituency. A new capital programme worth £19 million has been established to improve services in her area, in addition to the 6.7 per cent. funding increase going to the primary care trust. Ultimately, although a solution has to be found locally, it is clear that the Government will help where they can to improve the financial position of PCTs.

Q10. [21338] **Mr. Peter Bone** (Wellingborough) (Con): In June, the Prime Minister promised to toughen the law in respect of death caused by careless driving, and to bring forward proposals "shortly". It is now nearly the end of October. When will the proposals be published?

Mr. Hoon: I do not know the answer to that question, but I shall ensure that my right hon. Friend the Prime Minister writes to the hon. Gentleman. This is an important and difficult issue, and we must get it right.

Q11. [21339] **Mr. Neil Turner** (Wigan) (Lab): I have been invited to carry out Friday's topping-out ceremony for the £30 million refurbishment of Wigan and Leigh college, which provides excellent services and facilities for students in the Wigan area. However, it is one of the least well-funded colleges, and that causes particular difficulties. Will my right hon. Friend use his good offices to ensure that the Learning and Skills Council's agenda for change addresses that problem and distributes funding more equitably throughout the tertiary sector?

Mr. Hoon: I am very happy to join my hon. Friend in welcoming that significant capital project at Wigan and Leigh college. Half of that funding has been provided by the LSC and half by the college. That represents a larger contribution from the LSC than usual. In the coming weeks, my hon. Friend the Minister for Higher Education and Lifelong Learning will announce the Government's strategic direction for the learning and skills sector, including the funding package for the next two years. I agree with my hon. Friend that it is vital to ensure fair funding for our education service—something else that the Conservatives failed to provide in their period in government. We have ensured fair funding for schools and colleges, and my right hon. Friend the Secretary of State for Education and Skills has committed us to that.

Susan Kramer (Richmond Park) (LD): North Kingston is part of my constituency, and people who live there have long wanted a local, non-selective secondary school in their community. They have been denied by Treasury rules, because there are surplus places in schools an hour away. After yesterday's announcement and White Paper, they have been calling me because they are completely confused. May they have their school, and will the Treasury supply the money?

Mr. Hoon: As I said in response to the question from my hon. Friend the Member for Wigan (Mr. Turner), that is why it is important to ensure both fair admissions and fair funding. We need the consistent approach that my right hon. Friend the Secretary of State for Education and Skills has set out. We must ensure that parents have both the choice and the opportunity to send their children to the schools that they want. That has not always worked perfectly in the past, but we are going to address that issue because we want to ensure that the high standards that we have achieved since 1997 go on rising. That is our ambition, and I urge the hon. Lady to join us in it.

Q12. [21340] **Jonathan Shaw** (Chatham and Aylesford) (Lab): Is my right hon. Friend aware that the Refuse Disposal (Amenity) Act of 1978—which perhaps was not Labour's finest year for keeping the streets clean—has now been replaced by the Clean Neighbourhoods and Environment Act 2005, providing local authorities with the opportunity to get landowners to clear up their act or risk being fined? What level of scrutiny will the Government maintain to ensure that local authorities use those powers? People are fed up with looking at the eyesore of rubbish in their neighbourhood.

Mr. Hoon: My hon. Friend is right that we need to ensure not only that we pass legislation such as the Clean Neighbourhoods and Environment Act as part of our wider drive to establish respect for our communities, but that local authorities use that legislation to deliver. Certainly, under the Act local authorities will have greater powers to tackle the fly-tipping that is costing them more than £44 million a year to clear up. Landowners and occupiers who have had their chance to clear away fly-tipped waste will now be able to recover their clearance costs, but we do need to ensure that local authorities use the legislation, put it into effect and deliver.

Q13. [21341] **Andrew Selous** (South-West Bedfordshire) (Con): As the guardian of the rights of Members of this House, will the Leader of the House support an initiative, which has the backing of Members on both sides of the House, for an independent body to report every year to Parliament on carbon emissions?

Mr. Hoon: I have certainly seen the proposals in relation to carbon emissions and I have seen the way in which they could have an impact as far as the House authorities are concerned. It is something that I anticipate will be taken up when the House looks at these issues, and we take it very seriously, not only in relation to our responsibilities in Parliament, but obviously as part of our wider duty to the country.

Q14. [21342] **Mr. Jim McGovern** (Dundee, West) (Lab): Will my hon. Friend confirm the Government's intention to implement in full as soon as possible the manifesto commitments contained in what is known as the Warwick agreement?

Mr. Hoon: The Warwick agreement has carried through a number of initiatives that we have worked on in partnership with trade unions, but may I emphasise to my hon. Friend that the Warwick agreement is a two-sided process? It is important that both parties carry it through.

Grant Shapps (Welwyn Hatfield) (Con): Will the Leader of the House explain how it is that, after the boast of 100 days to save the NHS and the Prime Minister coming here week in, week out and boasting about the amount of additional money going to the NHS, in my constituency of Welwyn Hatfield it was announced this week that the QEII hospital is going to all but close? How does he square that circle?

Mr. Hoon: Very straightforwardly, I would compare the record of the Conservative Government whom he supported with what we have actually achieved in government. We have ensured that our hospitals are properly funded: 79,000 more nurses since 1997; 27,000 more doctors; 85 new hospital-building programmes in progress; more than 530,000 extra operations every single year; and waiting levels at their

lowest since 1987. How can the hon. Member come to the House and possibly complain about the extra funding and the excellence in our health service compared with the appalling mess that we inherited in 1997?

Q15. [21343] **Miss Anne Begg** (Aberdeen, South) (Lab): The Prime Minister has said that Labour is at its best when at its boldest. May I urge the Leader of the House to encourage his Cabinet colleagues to be bold, to follow Scotland's example, to stub out cigarettes and to ban smoking in all enclosed public spaces?

Mr. Hoon: I have seen no suggestion at all that my right hon. Friends are not bold when it comes to these issues. They have certainly been discussing this matter at great length and in great detail, because of course this is an important issue that affects everyone in the country, and it is important that we get the right balance between the needs of those who want to continue to smoke, as they are entitled to do in private, and the needs of the community, who clearly do not want to be affected by other people's harmful smoke. That is the balance that we are seeking to strike and I assure the House that as soon as we have struck that balance we shall inform the House accordingly.

Sir Patrick Cormack (South Staffordshire) (Con): If the Government are serious about supplying the nation's energy needs and combating climate change, why do they not give a higher priority to nuclear energy?

Mr. Hoon: My right hon. Friend the Prime Minister made clear in his speech to the Labour party conference the importance that we attach to ensuring, as I made clear in the answer that I gave earlier, that the United Kingdom has sufficient energy provision, in the short and longer term, to meet the requirements of its businesses and its people. That remains our absolute priority.

Avian Influenza

12.30 pm

The Secretary of State for Environment, Food and Rural Affairs (Margaret Beckett): On Friday, my Department announced that we had identified a case of highly pathogenic avian influenza in birds held in quarantine. After further analysis by the Veterinary Laboratories Agency, we announced on Sunday that the virus was H5N1. We now consider that the virus was found in samples taken from two birds—one Pionus parrot and one Mesia. The closest match is a strain identified in ducks in China earlier this year.

There has been no reported occurrence of highly pathogenic avian influenza in the United Kingdom since 1992. The premises in which this event occurred contained two consignments of exotic birds from Surinam and Taiwan. At this stage, we cannot say for sure where the virus originated, but our working hypothesis, taking account of the identification of the strain, is that the virus is most likely to have come via Taiwan. However, it is important to keep an open mind about other possible sources and we are doing exactly that.

As the House knows, the birds in the quarantine premises were culled by officers from the local animal health office on Friday evening. All those at the premises who may have come into contact with diseased birds were given antiviral treatment to protect them against risk of infection.

Since Friday, we have been investigating the sequence of events that led to the death of the birds. As we announced on Sunday, some birds had already died in quarantine before 16 October. Thirty-two of those birds were being held in a freezer. Initial tests, which have not yet been validated, identified that H5 is present in some of those birds. We have not yet established the full circumstances of those deaths. However, our standard instructions on deaths in quarantine state:

"When birds die during quarantine, their carcases must be placed by quarantine staff in a fridge or freezer until the Local Veterinary Inspector can collect them for transmission to the Veterinary Laboratories Agency."

That is, of course, where the tests are carried out.

Our investigations will continue and we will of course bring our findings to the attention of the House as early as possible. Meanwhile, we are taking certain prudent steps to ensure that our protection against avian influenza is as secure as possible. First, I want to underline the fact that this incident has demonstrated both the threat posed by avian influenza and the controls that we have in place to meet that threat. The quarantine system provided the protection that it is intended to deliver. That is not a reason for complacency, but it is right that we should recognise the swift and effective action that was taken once the disease had been identified. It also means that our disease-free status on avian flu remains unaffected.

The incident took place against a background of increasing reported outbreaks of avian influenza in wild birds. Since July, we have seen outbreaks first in an area of Russia and then in Romania and Turkey. There have been other confirmed and suspected cases in some of those countries and in Croatia. We are taking those developments very seriously, but I should perhaps stress that they are not in themselves a cause for undue alarm. Avian flu does not at present transmit easily to humans. But there is concern about the potential for avian influenza viruses to mutate into new forms that might directly affect humans.

Such transmission has not yet happened and indeed may never happen, but there is good reason to be very vigilant against the establishment of avian flu. I stress that avian flu is a disease of birds and that we receive a number of reports of suspected cases in any normal year, and for the obvious reason that people are being particularly cautious we have received more than normal this year.

Moreover, we in the UK and more generally in the European Union have worked to establish a good level of preparedness. Our contingency plan for avian flu was laid before Parliament in July. We regularly exercise the contingency arrangements nationally and locally, and our recent experience of managing a Newcastle disease outbreak demonstrated the fundamental soundness of those arrangements for dealing with a disease outbreak in birds, but we will continue to build on that good level of preparedness.

In response to the specific incident that has occurred in quarantine, we issued instructions to the state veterinary service at the weekend that releases of birds from quarantine should now be subject to a case-by-case risk assessment. We understand that there are about 15 consignments of birds currently in quarantine. Each of those will be subjected to an individual veterinary risk assessment and referred to DEFRA headquarters before any decision to release is authorised.

At the weekend, the chief veterinary officer and I ordered that a general review of our quarantine arrangements and procedures be undertaken. Pending the outcome of that review, we have called on the European Commission to propose an immediate temporary ban on imports of live birds into the EU while we collectively assess the risk that they pose. I am pleased to say that the Commission responded very positively to that call, and a ban lasting until 30 November was agreed in the relevant EU Standing Committee yesterday.

At the same time, we are especially mindful of the potential threat posed by illegal imports. My Department already works closely with Her Majesty's Revenue and Customs on the control of illegal imports of animals and animal products, and I have asked my officials immediately to address how we can increase our vigilance against the specific issue of illegal imports of live birds. The Under-Secretary of State for Environment, Food and Rural Affairs, my hon. Friend the Member for South Dorset (Jim Knight), who has responsibility for rural affairs, landscape and biodiversity, will also take up the issue of illegal trade at an EU wildlife trade enforcement event tomorrow.

We were already working actively with the Commission and other member states to tackle the wider threat of the introduction of avian influenza by migrating wildfowl and other routes. As a result of that work, I expect to bring before the House within the coming days sensible and measured regulations that will assist us in reducing the risk of disease and strengthening our ability to control an outbreak. Those regulations will implement the announcement that we made last

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week about establishing a register of all commercial poultry producers in the country. As we said then, we shall start that process of registration next month.

For non-commercial poultry keepers, we have produced a simple, clear and, I hope, effective guide to biosecurity, and we are actively distributing that guide through lobby groups, veterinary networks, hobby magazines and other available channels. We have also decided, with fellow member states, that in the present circumstances it is desirable to prohibit bird fairs, markets and shows, except where a risk assessment shows that they can be safely conducted. We are in full discussion of that proposal with potentially affected stakeholders.

Ornithological groups are also very important stakeholders for us, and earlier this month we reached an agreement with them jointly to monitor wild birds. That is, of course, in addition to our existing annual programme of monitoring domestic poultry for avian influenza that is already under way.

The regulations that we will bring before Parliament will give legal effect to the provisions in recent legislation that enable us to instruct poultry keepers to keep their birds indoors, and we are urgently discussing that provision with stakeholders.

In conclusion, I recognise that the public are rightly concerned about avian flu. I am pleased that our quarantine rules worked to identify and eradicate the immediate risk in this incident, but because we are not complacent we are taking the steps that I have indicated both to review and strengthen our protection against legal and illegal imports of captive wild birds, and in the next few days we will introduce the new regulations that I have described.

Mr. Oliver Letwin (West Dorset) (Con): I am grateful to the Secretary of State for making available an early copy of her statement and for the technical briefing that her officials provided us with yesterday. I welcome unreservedly the ban on commercial live bird imports that she has announced today, but I have some questions about the past and some questions about the future. I shall start with the past.

First, why did the Secretary of State and her Ministers for six months strenuously resist EU proposals to impose a ban on commercial wild bird imports? Secondly, in her statement she admitted that despite press briefings over the weekend she does not currently know whether the infected bird was a parrot, whether it came from Surinam or whether it was infected by a bird from Taiwan. This is horribly reminiscent of the confusion over sheep and cattle material for which she apologised to the House in 2001. Can she explain how she and her Ministers have for many months presided over quarantine procedures so lax that birds from different continents are kept together, test samples are pooled and there is no clarity in her Department about the true implication of the tests?

Thirdly, when we surveyed poultry concerns we discovered that fewer than half could recall proactive steps by the Department or any other intermediary body to inform them fully about avian flu. Why, after months of reports about the problem, have the Secretary of State and her Ministers failed to take such proactive steps to inform the poultry sector?

I turn to the future. What will the Secretary of State do to ensure the proper separation of birds still in quarantine, to which she referred, and to provide proper polymerase chain reaction testing for poultry flocks? Can she guarantee that the compensation paid to farmers for slaughtered flocks will be sufficiently generous to give incentives for full reporting? How will controls at ports of entry be increased to prevent the smuggling of wild birds once the ban is in place? How will commercial imports be distinguished from pet imports, which are merely being restricted? Who within her Department will be accountable for ensuring that any outbreak in the poultry flock is fully and immediately contained?

In the light of past serious failures and the confusion and inactivity surrounding recent events, the House has a right to an assurance from the Secretary of State that from now on it will no longer be business as usual. We do not want to see her Department once again rendered impotent in the face of disaster and the Army brought in to clear up the mess.

Margaret Beckett: Well, no need to urge the public not to be hysterical.

It is not the case that for six months we strenuously resisted such a ban. I always believe in being charitable to the Opposition, so I appreciate that the right hon. Gentleman may have a mistaken impression from things that he heard on the radio. The facts are that as long ago as last March a request was made to the European Commission via the Belgian Minister—not, by the way, on the grounds of anything to do with animal disease or avian flu but on the grounds of the welfare of wild birds—from those who have long and legitimately campaigned on those matters. Ministers were not unsympathetic. We sought advice, but the advice was that such a move was not justified. That was also the view of the Commission. The matter was discussed in Council. The Commission argued strongly that on welfare grounds it was a disproportionate response. I repeat that it was not a disease issue at that stage. It is not the case, as has been reported, that only the UK did not share that view. That is wholly untrue. Indeed a moment's thought would make people realise that it was untrue because if only the UK had taken that stance, it would have gone through. The Commission took the view that it was not required, and several member states, of which we were one, supported the Commission. There is thus no truth in the suggestion that we strenuously resisted such a move.

Mr. Letwin: So you did strenuously resist?

Margaret Beckett: We did not resist at all. We said that we felt it was not justified at that time; it was not an animal disease requirement, or concern.

In September I asked my hon. Friend the Minister of State to review our contingency plan and our contingency arrangements. Following that, a decision was made to draft a letter to the Commission asking for such a ban. In fact, before the dead parrot ever hove into view over the horizon the Government had already

decided to approach the Commission to ask it to reconsider the position with regard to a ban. As for the question of separation, the pooling of test samples is a standard procedure, as I said in my statement, and has been for many years. Obviously the whole question of whether birds are separated in different places and in quarantine, and of whether test samples are pooled, which are not at present addressed in the rules, will be considered in the review that we will undertake. It is, however, absolutely clear what the procedures were. We must consider two separate issues: whether the present events occurred because procedures were not followed, or whether they happened because of something to do with the procedures, which we should be refining in any event. That is the exact issue that we are considering.

The right hon. Gentleman asked me about his famous survey. I understand that there are 70,000 or so keepers of poultry, who are, of course, probably the ones with relatively large numbers of birds about whom we know. He seems to be under the impression that those people should have been contacted by my Department. I thought that he was in favour of reducing the number of bureaucrats. I am not quite sure how many staff he wants the Department to have if it is to contact 70,000 poultry keepers personally. May I remind the House that it has been the case for a considerable time that poultry keepers are under an obligation to monitor their birds and report signs of illness? They must, as a condition of keeping those birds, know what to do about serious and notifiable avian diseases. These are notifiable diseases.

Mr. James Paice (South-East Cambridgeshire) (Con): That is not the point.

Margaret Beckett: The hon. Gentleman says from a sedentary position that that is not the point, but with respect it is precisely the point. Poultry owners and keepers are under such an obligation, and that obligation includes operating adequate biosecurity.

As for the question of keepers of small numbers of birds—perhaps almost pet birds—the House will know that advice was issued for them a few days ago. We are doing everything that we can through advertisements and the industry associations to ensure that it is understood.

I am conscious that you do not like people at the Dispatch Box to go on for too long, Mr. Speaker, but I am also conscious that the right hon. Member for West Dorset (Mr. Letwin) asked me at least eight questions, of which I have so far answered only three. May I just quickly—

Mr. Speaker: Order. The right hon. Gentleman could get a letter from the Secretary of State.

Norman Baker (Lewes) (LD): I welcome the fact that the Government are making a statement today and urge the Secretary of State to keep the House informed about future developments. Does she agree that it is important to strike a balance between adopting sensible precautions and not unnecessarily alarming the public or damaging the farming industry? Does she thus share my disquiet about the Edwina Currie-type advice from the European Food Safety Authority on the consumption of eggs and poultry? Will she confirm that there is no greater threat from eating poultry today than there was last week, last month, or last year?

There are serious questions about the quarantine arrangements in place at both the specific establishment in Essex and more widely. The Secretary of State said in her statement that the quarantine system worked, which was true in the sense that the disease was identified while the bird was still held, but cross-contamination happened. Will she clearly state whether she believes that the regulations in place were broken, or whether they were simply inadequate? The way in which birds were kept must be addressed. Do the regulations currently allow birds of different species to be mixed, which would seem to be a totally inadequate way of dealing with biosecurity?

Has the Secretary of State seen the report in many papers that birds at the centre in question are

"kept in excrement-covered cages"?

Is there any truth in that suggestion? Does she share my disquiet that if the papers are accurate—the matter was widely reported in several national papers—such an important biosecurity centre is apparently being run by an individual who has been jailed for offences relating to the importation of wild birds? Should there not be greater controls on who is permitted to run quarantined establishments? Will she make the examination of quarantine arrangements part of her remit?

I welcome the decision to introduce an immediate ban on the wild bird trade and thus urge her, as I did her colleague, the Under-Secretary of State for Environment, Food and Rural Affairs, the hon. Member for Exeter (Mr. Bradshaw), last Thursday, to pay particular attention to the illegal trade, which will increase as a consequence. Will she especially examine trade on the internet, which causes a major problem in the wild bird trade? Will she explain why I was told that a ban on bird fairs was not necessary when I suggested it to her colleague on Thursday, although she announced today that such a ban will be introduced?

Finally, can the Secretary of State comment on suggestions in the newspapers that her Department is preparing, as a necessary precaution, for a mass cull of poultry? What will its parameters be, and could the influenza H5 vaccine be used instead?

Margaret Beckett: I cannot give the hon. Gentleman the answer to some of his questions. For example, as I said a few moments ago, whether the regulations were observed and whether the rules are adequate are separate issues, and we are pursuing both of them. At present, different species can be mixed, and he is right to assume that that is exactly the kind of issue that the review of general rules will consider. As for where the birds were kept and who was keeping them, there is nothing that I can say about any individual except that the press reports include observations about individuals who are said to have committed offences, but those offences are not reported to relate to the keeping of birds per se. What have been reported are revenue offences.

The hon. Gentleman asked me about international trade. Of course, we are looking at that in the review and, indeed, the issue of bird fairs. He asked me about the premises that have been reported. I understand that published descriptions of various places do not relate to

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quarantine facilities. It is perfectly legitimate to make comments and, indeed, adverse comments if that is how people feel about the standard of facilities where birds are housed, but such comments do not, as far as I am aware, relate to quarantine facilities. I accept, however, that the impression is sometimes given that they do.

The hon. Gentleman asked about a mass cull and vaccination. We are looking at the issue of having to cull a number of birds, as we did in July to achieve the speedy eradication of Newcastle disease. We are also looking at the question of whether there is a potential for vaccine, but no authorised vaccine is available at present. If a suitable vaccine were used, birds would have to be vaccinated twice with a minimum three-week separation period. Poultry would be dead by then anyway, because there is a seven-week lifespan. Of course, we will look again at vaccination, but it is not the immediate remedy that people may hope for.

Dr. Gavin Strang (Edinburgh, East) (Lab): The whole House should welcome my right hon. Friend's statement, including her confirmation that consideration is being given to a requirement that commercial poultry production take place indoors. Such a policy would require premature slaughter, would involve significant commercial and public cost, and would doubtless be based on the best veterinary and medical advice available to the Government. However, if we have to go down that road, does she agree that it would make sense for the Republic of Ireland to do so as well? If the position has to be decided at European level, it may be best to do so. Which EU member states have already implemented such a policy?

Margaret Beckett: I cannot give my right hon. Friend a great deal of information, because the position is changing. It is for member states to make a risk assessment, not merely in their country but in its regions. Yesterday, or perhaps this morning, France advised poultry keepers in coastal areas and another area in the eastern region of France to take their poultry indoors, but that does not apply to the whole country. The issue of whether or not there are circumstances in the UK in which we would advise people to take such a step is something that we keep under review, as does every member state. As I said, member states that are closer to the wildfowl outbreaks that have been reported have taken action in some parts of their territory.

Mr. Eric Pickles (Brentwood and Ongar) (Con): Unless I have been seriously misled, the outbreak occurred in my constituency, and there are lessons to be learned from the way in which it was handled. The right hon. Lady is rightly cautious about the company involved and the conviction for a serious fraud that resulted in a custodial sentence. However, one of my constituents put it to me that quarantine is our first line of defence. My constituents need to be able put their trust in people who are handling that quarantine, and they need to be confident that those individuals will obey the law. Health authorities have issued helpful guidance, but my own primary care trust was not told that the outbreak was less than five miles from its headquarters. We do not have anything to fear from disclosure, and the easiest way to avoid panic is to tell people the truth as quickly as possible.

Margaret Beckett: The hon. Gentleman makes some important points. Frankly, I do not have any idea whether the facility is within his constituency because I do not know where his constituency boundaries are. Nevertheless, in whatever constituency such an event occurs, he makes a valid and legitimate point and his constituents' questions are relevant. When people wish to set up a quarantine facility it is inspected in advance to check that it is adequate. When there are animals in the facility, there are regular inspections and monitoring by local veterinary inspectors and so on. The hon. Gentleman's constituents can be assured that such precautions are in place. They can also be assured that the review will look at whether those precautions are adequate and whether, for example, we should continue to permit the mixing of birds from different continents. I cannot comment on the position of his local primary care trust, but I repeat that the case was detected in a secure facility. Although there is proper concern about the long-term implications for human health of the avian virus we are not in circumstances where its feared consequences are apparent.

Mark Durkan (Foyle) (SDLP): May I welcome the Secretary of State's statement on initiatives and interventions, as well as her Department's readiness to make a further response? Has the Department duly engaged with the relevant devolved Administrations and the not-so-devolved Administration in Northern Ireland? Will she assure us that the Department of Agriculture and Rural Development in Northern Ireland and its Minister will not be restricted or restrained from taking more stringent or specific action, particularly if they wish to do so in concert with the authorities in the Irish Republic?

Margaret Beckett: I certainly assure the hon. Gentleman that we are in contact with the devolved Administrations, who have offered helpful co-operation. They will consider whether there is any further contribution that they wish to make to the assessment and handling of such cases.

Mr. Michael Jack (Fylde) (Con): The Secretary of State has just announced a review of the quarantine procedures, yet in her statement she said that measures to deal with avian influenza were fundamentally sound. If that was the case according to the original analysis, why, following the first testing of the system, does it have to be reviewed? As for scenario-playing, how many times has she played the scenario of what to do, and what lessons has she learned from that exercise?

Margaret Beckett: The right hon. Gentleman asks about the scenarios. We had what one might call a live scenario involving Newcastle disease in the summer, as I mentioned earlier. He asks why the review. The position is changing. The procedures are basically sound—they worked in eradicating the outbreak of Newcastle disease at the beginning—but with regard to avian flu, it is a moving picture. We are seeing developments in what is thought to be the

epidemiological understanding of the spread of that virus in wild birds, so we thought it right to reassess what we believe to be potentially a new situation, and certainly an evolving situation. He and his Committee, as well as the House, would be critical of us if we were not saying that, in the light of the event that has occurred, we should reassess not only the event itself, but whether there are issues about our quarantine rules that we ought to reconsider, because it is a changing situation.

Sir Peter Soulsby (Leicester, South) (Lab): My right hon. Friend will agree that there have been some astonishing scare stories and headlines in the press about avian influenza. She would probably also agree that, as a result, there has been widespread fear and public confusion, in about equal measure, about these issues. Does she agree that, although such scare stories might sell newspapers, it is vital that her Department undertake a concerted and vigorous public education effort to increase public understanding of avian influenza and to draw clear distinctions between that and potential pandemic influenza among humans—related but very different issues? The public need to understand both those relationships and those differences.

Margaret Beckett: My hon. Friend is right. It is important that the public get a clearer idea of the significance of avian flu and the distinction. We are making information available in the House for all Members—I hope it is already here, but if not, it soon will be—with an indication of all the steps we are taking. I will not bore the House with all of it, but guidance on biosecurity and surveillance has gone out to a range of organisations and to vets. Advertisements have been placed in trade publications and so on, and there is the leaflet that we issued a few days ago for individual poultry keepers. I take my hon. Friend's point that all these measures are aimed at those who have a particular interest in the trade or those who are poultry keepers. It is important for all of us to do everything we can to get across information to the general public.

I was a little alarmed at an exchange that I heard a few days ago, in which the prime question that seemed to spring to the mind of the questioner was, "Is there someone who is to blame for this?" Let us bear it in mind that the situation is of concern and the Government are taking steps to deal with it, but it is important that the public understand that what we are seeing is something of a development in avian influenza that we do not in any sense take lightly and are considering very seriously, but which is more of a risk to birds than it is to people.

David Simpson (Upper Bann) (DUP): The Minister will appreciate that the poultry industry right across the United Kingdom has grown dramatically over the past five to 10 years, so can she assure the House that she will ensure that there is adequate veterinary supervision not only at the rearing stage but in the production and manufacturing process, and that if something were to happen, the Government are prepared with extra veterinary staff?

Margaret Beckett: I can certainly tell the hon. Gentleman that it is part of our overall contingency plan, which he will find on my Department's website and which we published in the House in July, that there are arrangements, should they be required—let us hope they never are—to supplement the veterinary facilities that are available now with other outside help.

Mr. John Greenway (Ryedale) (Con): The proposed ban on live poultry sales is prudent and understandable, but will cause a great deal of difficulty for the poultry industry at this critical time of the year. What advice will her Department give to the commercial poultry trade about movement of poultry, which will become critical if, as she suggests, it may be necessary to move all poultry indoors? Many producers do not have the accommodation that they require. On a different matter, what help is being given to those eastern European and central Asian countries where bird flu is more endemic and where the problem originates?

Margaret Beckett: I cannot tell the hon. Gentleman what advice will be given, as that is a matter not for me but for the veterinary and scientific experts. I can assure him that we are in touch with people who are engaged in wild bird fairs and so on, and with the poultry industry. He made a valuable point about the scale of the facilities available. That is exactly the kind of thing that is being discussed. I assure him that my Department and our officials will do everything we can to maintain the balance of proper protection and proper security precautions with understanding for the commercial necessity. I can also tell him that there is a great deal of contact with, as he rightly says, countries where disease is more endemic. I believe I am right in saying that various expert scientific advisers, not from my Department but more independently and outside, are in contact with such countries and there is discussion with them to try to help them deal with some of the issues.

Hywel Williams (Caernarfon) (PC): Can the Secretary of State assure the House that, should a cull be required, we are adequately prepared for the disposal of carcases? This is not a party political or polemical point. The experience in rural and remote north-west Wales relating to the introduction of the fallen stock scheme does not inspire confidence within the agricultural industry.

Margaret Beckett: I can reassure the House that that is one of the issues that is part of our contingency plan. I take the hon. Gentleman's point about some of the early handling of the fallen stock scheme, because some concern was expressed. Although we may be talking about large numbers if a commercial flock, for example, were affected, we are not talking about animals or birds of quite the same size.

Mark Pritchard (The Wrekin) (Con): Are not the Government in danger of being seen as gravely complacent on the matter, given that from that very Dispatch Box yesterday we heard Ministers say that they would commit £17 million of taxpayers' money to promote electoral reform, yet all we have heard about

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today is a few leaflets being sent out? Is the Secretary of State not in danger of sending out a very weak message when the country needs a strong one?

Margaret Beckett: No. Of course there is always a danger in life and in government of being accused, particularly by people who want to make the accusation whether or not it is valid, of being complacent or of not doing enough, but I do not think that the hon. Gentleman will find that those who are affected by the precautions on which my Department is insisting feel that that is the case.

Rev. Ian Paisley (North Antrim) (DUP): I am sure the Minister will agree that fears, especially unfounded fears, need to be allayed and that openness is what we need in the matter. I welcome her statement today, as far as it goes. Have orders been issued in the civil service that jabs should be taken by all civil servants? My information is that in Northern Ireland that has happened, which has led people to ask whether there will be favouritism if we are faced with a pandemic. That fear needs to be allayed.

Margaret Beckett: No, there is no recommendation that all civil servants should be vaccinated. Indeed, we do not have an appropriate vaccine at present, because nobody knows what vaccine would be needed, since we do not know what virus we might be dealing with. It is certainly the case, however, that we have advised those who are poultry keepers that they should consider both their own biosecurity and their own precautions. That is important. The hon. Gentleman makes an important point about openness, reminding me that I did not address that when the hon. Member for Brentwood and Ongar (Mr. Pickles) raised it. We must keep a balance between what will help us to maintain proper precautions and biosecurity, and clarity of information. It has never been the practice of my Department to be explicit about precisely where a disease outbreak might have taken place, because one does not want a lot of people tramping over a potential disease site.

Gregory Barker (Bexhill and Battle) (Con): May I press the Minister on the question of a vaccine, particularly for those working in the poultry industry? I appreciate that there is some uncertainty because of the science around a vaccine, but can she be clearer about under what circumstances a vaccine would be made available to employees in the poultry industry, and what steps she is taking to ensure that, were that deemed necessary and appropriate, it is readily available.

Margaret Beckett: It is part of our contingency plan that, if there were an outbreak, consideration would have to be given to that and whether there is an appropriate vaccine in all the circumstances is kept under review. One of the first things that we did when we heard about the event in secure quarantine was to ensure that the work force dealing with that facility was advised to take antiviral measures.

Mr. Roger Williams (Brecon and Radnorshire) (LD): With other hon. Members, I am concerned about the management of the quarantine centre in Essex and general quarantine practice, particularly that birds that died during the quarantine period were put into cold storage, waiting for a convenient time for a veterinary investigation to take place. Birds could have been released from quarantine, showing no symptoms but incubating the disease that they caught from the birds that died. Surely birds that die during quarantine should be investigated immediately.

Margaret Beckett: The hon. Gentleman makes an important point, so let me try to make matters as clear as possible. I take his point about the investigation on the birds being carried out straight away, but it is standard procedure, and has been for many years, that they should be frozen until examination. However, there has been some misinformation on the point. If, as happened in the quarantine facility that we are discussing, one set of birds is in quarantine and another set of birds is brought in, the quarantine period for the whole lot restarts when the second set arrives, and no birds are released until that quarantine period has expired. In addition, apart from that extended quarantine period, if there are any outstanding tests—tests are carried out on birds that die in quarantine—the birds are still not released until the results of those outstanding tests are confirmed. All of that, and whether it is a good thing to pool the samples and so on, will be considered in our review of how our quarantine facilities operate. It is understandable because it is not always easy to follow matters through, but there has been quite a lot of reporting about the birds having been released early. No, they were not near the end of their quarantine period, and while tests were outstanding—which there would be if there were dead birds—they would not have been released until the test results were known.

Mrs. Cheryl Gillan (Chesham and Amersham) (Con): The Secretary of State said that bird shows will be banned until further notice, but she knows that we are fortunate in having a large number of bird sanctuaries, zoos and bird exhibits in botanical gardens. How will such organisations be affected by the ban and can she assure me that, in the event of an outbreak or a decision to close the exhibits, any compensation scheme would cover those organisations and the loss of revenue to them?

Margaret Beckett: It is my understanding that, at present, birds in zoos and so on are not affected, but we are in discussion with stakeholders from a range of facilities with a range of concerns and the hon. Lady has identified a new one. I am grateful to her for raising the issue of compensation because her right hon. Friend the Member for West Dorset (Mr. Letwin) asked about that and I did not get round to the answer. Compensation is not available in the circumstances that she describes. With regard to an incident of disease where some birds die but others are not affected, compensation is available only for birds that do not have the disease. That is an incentive to keep birds healthy and to have strong biosecurity, because there would not be compensation for birds that get a disease and have to be culled.

Control of Internet Access (Child Pornography)

1.14 pm

Margaret Moran (Luton, South) (Lab): I beg to move,

That leave be given to bring in a Bill to require internet service providers and other commercial organisations providing access to the internet to declare whether or not they have taken steps to prevent access to web sites containing indecent images of children; and for connected purposes.

The effect of the Bill is to require every internet service provider to declare in its company's annual reports and on its corporate website whether it is actively pursuing measures intended to prevent its customers from obtaining access to known child pornography websites. The Bill would not compel ISPs to take such measures, but would require them only to say whether they are taking such measures.

Let us not be under any illusion. The situation surrounding internet child pornography is appalling. Just two years ago, the National Society for the Prevention of Cruelty to Children estimated that 20,000 new images of child pornography go online every week—20,000 new cases of child abuse and rape every single week. There are now hundreds of pay-per-view child pornography sites and thousands of free sites filled with images that would make most people physically sick.

Operation Ore, the massive police investigation into child internet pornography, identified over 7,000 people in the UK, including judges, doctors and teachers, who used their credit cards to download images of children being abused or even killed for their gratification. Police believe that that is the tip of the iceberg. Those who download such images say that they have committed no crime, but every single vile picture that includes babies and children being raped and tortured has destroyed an innocent life. Through the internet, criminal gangs are making money out of this misery. That has gone unchallenged for too long and the time has come to right this wrong.

Until recently, the technological challenges to solving all or part of the problem have been formidable. Yet thanks to recent advances, the end of child pornography on the net is now in sight. Over a year ago, BT proved conclusively that the technology now exists to allow ISPs to block access to child pornography on the internet. This effective filtering system, called Cleanfeed, has been live for over 18 months, and allows the user to enjoy the full advantages of the internet minus illegal websites. By blocking the connection between the site and the user, child pornography becomes inaccessible. Instantly, supply will be cut off from demand and the illegal act of producing child pornography will become unprofitable.

When my hon. Friend the Member for Amber Valley (Judy Mallaber) asked the Prime Minister about BT's Cleanfeed last July, he answered positively, welcoming her efforts and BT's efforts and stating his intention to act on the issue by meeting the ISPs. I am pleased to be part of a Government who have taken such a strong stance against child pornography. By increasing the maximum penalties for making, distributing and showing indecent photographs of children, as well as investing in high-tech crime fighting solutions, the Government have repeatedly shown that they are committed to tackling this repugnant crime.

While I commend the Government on their approach in trying to prevent access to these sites, we need more urgency in ensuring that ISPs act now. I commend those ISPs that have used the available technology to block such sites. AOL, BT, Yahoo and Vodafone are models of good corporate citizenship. However, too many ISPs—possibly as many as 20 per cent.—have not responded to the challenge and still do very little to block child pornography sites. For every day that they delay, more children are being abused, so the Bill is a wake-up call to them. It is not designed to force ISPs to adopt the technology or tell us what technology they use. We want them only to state whether or not they have taken the simple and effective steps necessary to block child pornography

The Bill is intended primarily as a public accountability mechanism. All UK companies have to make a range of declarations in their annual reports—for example, on health and safety issues or carbon emissions. From that perspective, this is not a revolutionary idea. Although I am interested in a company's policies on global warming, if it happens to be an ISP, there is at least one other aspect of its activities that is more immediately relevant and of interest—what it is doing to end the terrible trade in illegal child sex abuse images.

If an ISP had good reason for not doing everything that it reasonably could to block access to illegal child abuse images, the Bill would not compel it to change its policies. I am sure that the ISP concerned would stand ready to explain its stance to its customers. Nevertheless, I wonder how many company directors or shareholders would be happy at the thought that they are required to declare publicly that they are doing nothing to stop child sex abuse images reaching their customers. The public, parents and policy makers are all entitled to know who is trying to kill off the trade in illegal child abuse images and who is not.

Some have argued that this is about the freedom of the net. The Bill is not a pretext for state censorship of the net, but child abuse and rape are illegal. As the head of the NSPCC's specialist investigation service says,

"we all have a duty to these children and to fail to protect them is a crime in itself."

Providing this information would enable the public to make reasoned choices about which internet service providers to use.

The Bill is not a magic button to eradicate child pornography, but the technology exists to limit access, and it is effective. Users have a right to know whether it is being used so that they can make informed choices. I believe that peer pressure and parent power can prevail. BT, the NSPCC, NCH and others believe that child abuse can be severely reduced, but we have to it make happen. It is our responsibility and we need to act now. This is a wake-up call to the slow learners in the ISP community. We will continue to put pressure on them and to name and shame as necessary. I, and many hon. Friends from other parties, stand ready to press for regulation if action is not taken.

The prize on offer is a great one. If people cannot reach the websites to buy child sex abuse images, the gangsters who are behind the trade will stop

[Margaret Moran]

systematically arranging for children to be raped purely so they can photograph or film it in order to get new supplies for sale. These guys are only in it for the money that they get by exploiting our children. We need to deprive them of that shop window, and that is what the Bill seeks to do. I commend it to the House.

Question put and agreed to.

Bill ordered to be brought in by Margaret Moran, Anne Snelgrove, Helen Goodman, Kitty Ussher, Sandra Gidley, Ian Stewart, Judy Mallaber, Lynda Waltho, Ms Sally Keeble, Mr. Paul Burstow, Sir George Young and Martin Salter.

CONTROL OF INTERNET ACCESS (CHILD PORNOGRAPHY)

Margaret Moran accordingly presented a Bill to require internet service providers and other commercial organisations providing access to the internet to declare whether or not they have taken steps to prevent access to web sites containing indecent images of children; and for connected purposes: And the same was read the First time; and ordered to be read a Second time on Friday 12 May, and to be printed [Bill 67].

Orders of the Day

Terrorism Bill

[Relevant document: The Minutes of Evidence taken before the Home Affairs Committee on 11th October, HC 515-i, on the Draft Terrorism Bill.]

Order for Second Reading read.

1.24 pm

The Secretary of State for the Home Department (Mr. Charles Clarke): I beg to move, That the Bill be now read a Second time.

The Bill seeks to place our counter-terrorist legislation on a permanent and secure basis. I should say at the outset that I am well aware that Members on both sides of the House have doubts about two particular aspects of the Bill: first, the definitions of terrorism and glorification and how we describe them; and, secondly, the length of time that somebody may be detained before charge, and proposed amendments in that respect. I will come to those issues later in my speech, but I should say now that I am ready to give way to debate them at the relevant time today, although of course the major debates will take place in Committee and on Report on the Floor of the House.

The Government have said all along that in a matter as important as this legislation we want to proceed on the basis of consensus. In that spirit, I pay tribute to the right hon. Member for Haltemprice and Howden (David Davis) and the hon. Member for Winchester (Mr. Oaten), and to the Select Committee on Home Affairs, the Joint Committee on Human Rights and others, for the constructive tone that they adopted over the summer.

I made a commitment to bring forward further counter-terrorism legislation earlier this year during the passage of the Bill that became the Prevention of Terrorism Act 2005. Preparations for the Bill were already well under way in early July this year, and I set out a list of measures to the Opposition spokespeople on 15 July. I am grateful to them both for the constructive response that they were able to give. I also made it clear that we were consulting the police and intelligence agencies in the light of the terrorist attacks and would consider whether additional measures were required. On that basis, I sent out a draft Bill to the Opposition and to Committee Chairs on 15 September.

In the light of the helpful comments that we received from a variety of sources, on 6 October I set out some revised proposals in respect of the offence of glorification. On the same day, my right hon. Friend the Foreign and Commonwealth Secretary published a paper setting out anti-terrorism laws in other countries, which I hope will help to inform today's debate. In the same spirit, through the usual channels we agreed a substantial amount of time to debate the Bill in Committee and on Report on the Floor of the House.

That is how we reached the stage that we are at today. In addressing the central issue that we face, I must start from the fundamental premise that there is a serious terrorist threat that has to be addressed. From New York, Nairobi, Sharm el-Sheik, Istanbul, two offences in Bali—one recently—Madrid, and our own events in

London this July, we know of the existence of that terrorist threat. As we legislate to address it, we must do so on the basis, first, of clarifying the values and society that we are seeking to defend, and, secondly, of identifying the threat with which we have to deal.

Of all the societies throughout the world, perhaps that of the United Kingdom is the society that laid the basis for the values that we here seek to defend: valuing and building free speech and freedom of expression, including a free media; believing in a society that respects all faiths, races and beliefs; believing in a society founded on the rule of law; wanting every citizen to have a democratic stake in our society; valuing the free economy, which has built prosperity, including high-quality public services on which we all depend; and valuing the fact that women can play a full role in our society. We all know that our society, based on those values, will continue to evolve and develop. We also know that we can all point to aspects of our society that fall short of those aspirations. However, people on all sides of politics have struggled over the centuries to achieve the values that we celebrate today.

The society that we have built, with the values that it embodies, is not slight nor passing but deeply rooted and profound. I emphasise that those values are embraced by the overwhelming majority of our citizens, from whatever faith group or minority ethnic group they come. Indeed, most of those who migrated to our country did so precisely because they wanted to embrace the values that I just set out. Our society is characterised by common values but diverse backgrounds, faiths and lifestyles. It has been a stunningly successful model of integration, despite regular challenges.

If one compares the United Kingdom of the 1950s, before significant migration took place, with the United Kingdom of today, one sees that in many key parts of life and endeavour—our businesses, our design, our literature, our food; there are too many to name—the vibrancy of diversity has powered creativity and economic success. I emphasise again, however, that that has always happened within the framework of our common democratic values.

Mr. John Baron (Billericay) (Con): Some aspects of the Bill create further concerns that the Government are too willing to accept recommendations from the security forces without adequately scrutinising them. Control orders and evidence of weapons of mass destruction in Iraq are two examples of that. Will the Home Secretary make it clear why he believes that the detention period without charge should be extended to 90 days?

Mr. Clarke: I am not sure whether the hon. Gentleman was present when I began, but I said then that I would deal specifically with the 90-day point when I reached that part of my speech. I shall do that.

Mr. Alan Beith (Berwick-upon-Tweed) (LD): The Home Secretary is rightly dealing with the theme of values. What about the value to which Lord Carlile referred when he criticised the excessive use of section 44 of the Terrorism Act 2000? He described its use as a substantial encroachment into the reasonable expectation of the public at large that they would face police intervention in their lives only if there was a reasonable suspicion that they would commit a crime. Is not that value threatened if events such as those at the Labour party conference or the instance of the person who was told that she could not walk on a cycle path occur?

Mr. Clarke: I am surprised that the right hon. Gentleman adopts that tone. However, he is right to cite Lord Carlile because his report is the basis on which we deal with legislation on all such matters. We will continue to pay serious attention to his comments on section 44 and other aspects of our proposals because it is his role to report to Parliament and to the Intelligence and Security Committee, of which the right hon. Gentleman is a member.

Our type of democratic society has been created over many years and all parts of our community embrace and support it. I argue even more strongly that the ambition for democratic society has driven enormous political and social change in the past 30 years throughout the world. In those 30 years, fascist or militaristic rule in Greece, Spain and Portugal in southern Europe has been succeeded by democracy; apartheid South Africa has been succeeded by democracy; colonialist southern Africa has been replaced by democracy; the totalitarian states of central and eastern Europe have been succeeded by democracy; Latin and central American dictatorship has been replaced by democracy, and, even in south-east Asia, democracy has replaced dictatorship. Democracy and the need to protect our democracy is at the heart of the Bill.

I understand perfectly well that, in each of those parts of the world, massive problems remain. However, those enormous changes, which have occurred across the planet in one generation, prove that change for the good can happen, and, moreover—and more important—without violence or bloodshed in many cases. It is important for this generation to assert that. I repeat that the fight for democracy is at the core of those great changes.

Jeremy Corbyn (Islington, North) (Lab): The Home Secretary is making an important point. Does he also accept that this country has an important tradition of being a place where people have a right of asylum and where people can proselytise to get rid of oppressive regimes throughout the world? Does he agree that many such people were labelled as terrorists but later lauded as freedom fighters for achieving change? Will he assure me that the Bill will not criminalise those who plead for decency and change in their societies?

Mr. Clarke: I give that reassurance and I shall revert to that point later. I celebrate the various values of freedom of expression that are at the core of our society for precisely the reason that my hon. Friend states. If he will be patient, I shall deal with the need to defend those values against those who seek to destroy them.

Jim Cousins (Newcastle upon Tyne, Central) (Lab): Does my right hon. Friend accept that all the historical events that he listed involved acts of terrorism according to the definition in the Terrorism Act 2000 and that they

[Jim Cousins]

would all be culpable under the Bill? Glorifying, inciting, encouraging or trying to emulate those events would, in some people's view, be offences under the Bill.

Mr. Clarke: I greatly respect my hon. Friend; we served together on the Treasury Committee, but he is wrong. If he goes through the list in detail, he will see that the striking fact is that those changes were made by democratic processes and with little violence.

Mrs. Louise Ellman (Liverpool, Riverside) (Lab/Co-op): Does the Home Secretary accept that, in contrast to the society that he has just described, the terrorism that threatens this country is based on the fascist-type ideology of hatred and an obsessive wish to destroy the west and modernity?

Mr. Clarke: I agree 100 per cent. with my hon. Friend. I shall develop that point further because it is fundamental when considering the Bill.

Mr. John Denham (Southampton, Itchen) (Lab): The House welcomes the progress to democracy in many parts of the world, but it is relatively recent and we cannot be sure that it is permanent. I am one of those who, in the 1980s, regularly produced material that praised the then Government of Nicaragua for their work in education, health and tackling poverty. That Government came to power in a revolution in which a brutal dictatorship was overthrown. Were those events to repeat themselves, I cannot understand how I would not be guilty of an offence under clauses 1 and 2.

Mr. Clarke: With all due respect to my right hon. Friend, he is wrong. We have had that conversation privately and in the Select Committee that he chairs. I respect the motivation in Nicaragua—it also applies to other parts of the world—to which he refers, but I do not accept his point. To argue that what he described would in any way violate the terms of the Bill is to misread the measure.

The fight for democracy is at the core of the changes that have occurred. It is precisely because we have developed a highly successful model of integration, which enables people of all backgrounds and faiths to prosper and live together within the safeguard of common values, that our society has become an affront and a reproach to the ideologues who believe that only their way of living is right. We should make no mistake: the threat that we face is ideological. It is not driven by poverty, social exclusion or racial hatred.

Those who attacked London in July and those who have been engaged in or committed the long list of previous terrorist atrocities were not the poor and the dispossessed. They were, for the most part, well educated and prosperous. Terrorists in the UK have also been ethnically and nationally diverse. Ideas drive those people forward. To revert to the point that my right hon. Friend the Member for Southampton, Itchen (Mr. Denham) correctly made, unlike the liberation movements of the post world war two era, they are not in pursuit of political ideas such as national independence from colonial rule, equality for all citizens without regard for race or creed or freedom of expression without totalitarian repression. Such ambitions are, at least in principle, negotiable and, in many cases, have been negotiated.

However, there can be no negotiation about the recreation of the caliphate in this country, the imposition of sharia law, the suppression of equality between the sexes or the ending of free speech. Those values are fundamental to our civilisation and are simply not up for negotiation. It is equally wrong to claim, as some do, that the motivation of al-Qaeda and its allies is some desire to seek justice in the middle east—the part of the world where progress has been most difficult to achieve in the past 30 years and where the litany of change that I read out has made so little headway. Al-Qaeda and its allies have no clear demands for the middle east. The only common thread in their approach is a violent and destructive opposition to democracy in any form. They find democracy in Palestine abhorrent and seek to destroy it.

Mr. Douglas Hogg (Sleaford and North Hykeham) (Con): Will the Home Secretary give way?

Mr. Clarke: Not at the moment.

Al-Qaeda finds democracy in Israel abhorrent and seeks to destroy it. It finds democracy in Afghanistan abhorrent and seeks to destroy it. Now it finds the democracy in Iraq, which the United Nations is trying to support and establish, so abhorrent that it does whatever it can to try to destroy it.

Mr. Hogg *rose—*

Mr. Clarke: I shall not give way at the moment.

Al-Qaeda's methods, too, are different. It recognises no common bonds with people who have different beliefs and its members are prepared to kill indiscriminately. Indeed, mass murder is their explicit objective—the measure of success in their terms. Their methods of recruitment bear more comparison to self-destructive cults than political movements. However, we must acknowledge that their modern nihilism is innovative, flexible and cunning. Al-Qaeda and the networks that are inspired by it approach the task with all the resources of modern technology and all the focus of modern zealotry.

The most important conclusion to draw from this analysis is that there is no particular Government policy decision, or even an overall policy stance, which we could change in order somehow to remove our society from the al-Qaeda firing line. Its nihilism means that our societies would cease to be a target only if we were to renounce all the values of freedom and liberty that we have fought to extend over so many years. Our only answer to this threat must be to contest and then to defeat it, and that is why we need this legislation.

Mr. Hogg: I do not disagree with what the Home Secretary is saying about al-Qaeda, but he must realise that the terrorism covered by the Bill also extends to overseas terrorism. There might well be movements designed to displace by violent means the Administration in Burma or that of President Mugabe. There are many people in the House who would want to see both those regimes displaced and who might

countenance violent action being taken to achieve that. Does the Home Secretary want to turn those people into criminals?

Mr. Clarke: Wanting to change the regime in Zimbabwe or Burma is the legitimate right of every citizen of this country. We might have different views about which regimes would qualify, but I would argue that there is almost a duty for democrats to argue for change in certain areas. It would not be right, however, to say that blowing up a tourist bus or a tube train, or taking action of that type, was a legitimate way of changing the regime of Robert Mugabe or whoever. That would not be acceptable—

Mr. Hogg: What about action against Mugabe's security forces? What about action against his police? Or action against the police in Burma—

Madam Deputy Speaker (Sylvia Heal): Order. Has the Secretary of State accepted the right hon. and learned Gentleman's intervention?

Mr. Clarke: I have accepted it, Madam Deputy Speaker. Perhaps I should formally have accepted it earlier than I did.

Of course the right hon. and learned Gentleman has the right to say that there is room for discussion about where the line should be drawn between peaceful and non-peaceful, and violent and non-violent action. I shall return to those issues when I come to the definition of terrorism in the Bill.

I suggest that the best way to contest this threat is by building and strengthening the democracy of our society, by isolating extremism in its various manifestations, by strengthening the legal framework within which we contest terrorism, and by developing more effective means to do so. That is why, particularly since 7 July but also before then, we have worked very hard—my right hon. and hon. Friends on the Front Bench in particular—to build our relations with the Muslim communities and the communities of all faiths, and to discuss how we can build our democracy and strengthen it so that all communities, young and old, men and women, have a genuine, strong stake in our society.

That means that we have to promote a society based on the true respect of one individual for another, one culture for another, one faith for another and one race for another. It also means promoting the view that democracy is the means of making change in our society. We therefore need to take steps to isolate extremist organisations and those individuals who promote extremism. In so doing, it is essential for us to work closely with the mainstream faith communities and to understand their preoccupations. That is why we need legislation to outlaw incitement to hatred based on religion or race. We need legislation that makes it clear that the glorification of terrorism is not a legitimate political expression of view. We wish to encourage faiths to pursue their faith openly and directly.

We want to attack the focus of extremist organisations. We are working, with international allies as necessary, to identify the networks and individuals who are promoting extremism, and we will use legal power to disrupt and weaken them. We intend to remove from the United Kingdom those foreign citizens who are using their time in our country to promote extremism, although that course of action is not legally straightforward. All the measures we have taken will further isolate and weaken those extremists who wish to promote terrorism as an appropriate form of activity. However, we need to strengthen the legal framework within which we can address those issues.

Throughout all this, I assert the need to retain and strengthen our human rights and the values that underlie them, but, at the same time, I say that the right to be protected from the death and destruction caused by indiscriminate terrorism is at least as important as the right of the terrorist to be protected from torture and ill-treatment. Our peoples expect not only the protection of individual rights but the protection of democratic values such as safety and security under the law. We need a legal framework that seeks to address the difficult balance in relation to those rights. We cannot properly fight terrorism with one legal hand tied behind our back, or give terrorists the unfettered right to defend themselves as they promote and prepare violent attacks on our society. That is why we are proposing legal changes in Britain to outlaw acts preparatory to terrorism and terrorist training.

Mr. Desmond Swayne (New Forest, West) (Con): I share the Secretary of State's objectives entirely. I agree that there now has to be a meeting engagement with the terrorists, and that we have to lick them here. However, I am concerned about the way in which the Secretary of State dismissed the intervention of the right hon. Member for Beith—*[Interruption.]* I am sorry, I meant to say the right hon. Member for Berwick-upon-Tweed (Mr. Beith). Is the Secretary of State not alarmed at the very high number of people being detained for acts that contravene the anti-terrorism provisions which, on closer examination, are quite properly judged to be common law offences? He will have my support in the Lobby tonight, but this matter requires much greater examination.

Mr. Clarke: I did not dismiss the concerns of the right hon. Member for what we must now call Beith-upon-Tweed. In fact, I did the opposite; I paid respect to what he and his political friend, Lord Carlile, had said. I also said that the Government would seek to address those points and criticisms.

Mr. Elfyn Llwyd (Meirionnydd Nant Conwy) (PC): In regard to the concerns raised by the right hon. Member for Berwick-upon-Tweed (Mr. Beith) about section 44 of the Terrorism Act 2000, not a lot has been done by the Government, despite the fact that those concerns have been expressed by many for a long time. Between April and June 2004, 2,147 searches were carried out under section 44. No arrests were made on the ground of anything to do with terrorism; 30 were made for other reasons. The following year, the figures were similar. Some of us were very concerned when the Terrorism Bill was introduced in 2000. We were told that it would be used very rarely, yet it was

[Mr. Elfyn Llwyd]

soon being used against peaceful, flag-waving people demonstrating against a Chinese Government official visiting London.

Mr. Clarke: I think that I have said this about three times now, but I will say it again: we take seriously the points that were raised by the right hon. Member for Berwick-upon-Tweed and by Lord Carlile. There are important issues that need to be addressed. The Association of Chief Police Officers is working specifically on them, and I shall address them. I agree that there are issues that need to be addressed.

Alan Simpson (Nottingham, South) (Lab): Will the Home Secretary give way?

Mr. Clarke: Not at the moment. I will give way to my hon. Friend in a while.

Before I finish outlining the general position, I should point out that the final element of our strategy for combating terrorism is the need to work internationally. This week is the 60th anniversary of the United Nations, and some Members were privileged enough to go to St. Paul's on Monday for a service of thanksgiving and rededication—I emphasise the word "rededication"—to celebrate that anniversary. Lord Ashdown, in his capacity as high representative in Bosnia, was asked to give an address, in which he said:

"We shall be lucky to reach the 70th anniversary of the United Nations without having to deal with chemical, biological or nuclear terrorism."

That was a chilling remark, but not a foolish or stupid one, and it is one against which we need to prepare ourselves.

The United Nations is also seeking to prepare itself. United Nations Security Council resolution 1624, adopted by the Security Council on 14 September this year, addresses that very question, on behalf not of an individual Government but of the whole of the United Nations, precisely because of the threat that Lord Ashdown described. That resolution reaffirms

"the imperative to combat terrorism in all its forms and manifestations by all means, in accordance with the Charter of the United Nations".

It condemns

"in the strongest terms all acts of terrorism irrespective of their motivation, whenever and by whomsoever committed".

The United Nations Security Council also condemns

"in the strongest terms the incitement of terrorist acts and"—

repudiates—

"attempts at the justification or glorification . . . of terrorist acts that may incite further terrorist acts".

The resolution expresses deep concern

"that incitement of terrorist acts motivated by extremism and intolerances poses a serious and growing danger to the enjoyment of human rights . . . and must be addressed urgently and proactively by the United Nations and all States",

and emphasises

"the need to take all necessary and appropriate measures in accordance with international law".

It reaffirms

"that acts, methods, and practices of terrorism are contrary to the purposes and principles of the United Nations and that knowingly financing, planning and inciting terrorist acts are also contrary to the purposes and principles of the United Nations".

And finally, the resolution:

"Calls upon all states to adopt such measures"—

as we are doing today—

"as may be necessary and appropriate and in accordance with their obligations under international law to:

(a) Prohibit by law incitement to commit a terrorist act or acts

(b) Prevent such conduct

(c) Deny safe haven to any persons with respect to whom there is credible and relevant information giving serious reasons for considering they have been guilty of such conduct".

That is a very serious statement.

Mr. Robert N. Wareing (Liverpool, West Derby) (Lab): I take it from what my right hon. Friend says that any person in any country of the world who advocates terrorism would be subject to arrest under this Act should they arrive in this country? Would that be true if Pat Robertson, the American who advocated the assassination of democratically elected President Chavez of Venezuela, were to enter Britain?

Mr. Clarke: I am not going to comment on individual cases—

Alan Simpson: He's on our side.

Mr. Clarke: Anybody who thinks that Pat Robertson is on my side is very wrong indeed. I am prepared publicly to deplore Pat Robertson's remarks, as I think that they were an outrage. In answer to the central question of my hon. Friend the Member for Liverpool, West Derby (Mr. Wareing), yes, that is the case—advocating terrorism is not acceptable under this law.

Alan Simpson: The misgivings of many Members of the House relate to the final part of what the Home Secretary said about necessary and appropriate means. Will he confirm that of the 900 or so people who have been arrested and detained under the Terrorism Act 2000, there has not been a single successful prosecution made for membership of any organisation on the burgeoning proscribed list, which we are told must be banned internationally. What we have done is to create a culture of fear, and a sense of division and vulnerability, that has nothing whatever to do with successful action against terrorism.

Mr. Clarke: I do not accept that. I am coming to proscription in a moment, and I will deal with my hon. Friend's point about proscribed organisations. I also observe, however, that the United Nations, in its action against terrorism, has listed proscribed individuals and organisations in a variety of ways.

Because of the need for this action, it behoves all parties in the House to carry through the ambitions of the Security Council resolution, which the Bill seeks to do. In all candour, I say to the Liberal Democrats, with whom we have sought to work closely—and I pay tribute to the hon. Member for Winchester, who has also sought to work closely with us to address these

issues—that their decision to oppose the Second Reading of the Bill weakens that common front of democratic politics against terrorism. Let me tell the House why I say that.

The Liberal Democrats have legitimate arguments about the definition of terrorism in relation to the term "glorification", and about the extension of the time limit for detention from 14 days to 90 days. I know that the hon. Member for Winchester has doubts, as he has said publicly and privately to me, about the wisdom of extending that time limit, and he has been perfectly fair about that. In relation to the structure of debates in the House, however, I do not believe that such doubts, which will be expressed, voted on and considered in Committee and on Report—and which, if so serious, could lead his hon. Friends to vote against the Bill on Third Reading—ought to break the unity of the House in seeking to carry through the principle established on Second Reading. His leader, the right hon. Member for Ross, Skye and Lochaber (Mr. Kennedy), wrote to *The Spectator* on 22 October—which I thought was a spectacular thing for him to do—revealing that the Liberal Democrat shadow Cabinet was having

"a strategy meeting about how to provide the real opposition to the government while the Conservatives are mired in their leadership debate."

I am sure that they are not mired in it; the debates and discussions currently taking place on that matter are inspired and interesting.

If the Liberal Democrats want to provide real opposition to the Government, the way to do that is not to offer knee-jerk opposition to everything, but to work on the basis of principle, to carry things through and to debate things in a proper way. The principled position, in my view, is for the party to vote for Second Reading, and then vote against, as and when the hon. Member for Winchester thinks appropriate, on the particular measures later. Even at this late stage, I hope that the Liberal Democrats will reconsider their position.

Mr. Mark Oaten (Winchester) (LD): It is our judgment that real, principled opposition is about making a stand on the key issue of holding suspects without charge. We feel so strongly on that issue that we want to oppose the Bill's Second Reading tonight. It is still our long-term aim to achieve consensus, however, and we aim to work with the Home Secretary to find alternatives to this measure in the weeks ahead.

Mr. Clarke: I believe that the hon. Gentleman does have a sincere intention in that respect, and is seeking agreement on some issues and trying to make positive proposals. He is absolutely entitled to do that. However, the time to address those questions is in Committee and on Report. If, in his view, the matter is resolved unsatisfactorily by the end of that process, he should vote against the Bill on Third Reading. I would understand that, but I do not understand why his colleagues have decided to vote against it on Second Reading.

Emily Thornberry (Islington, South and Finsbury) (Lab): Does my right hon. Friend recognise that a number of Labour Members have grave reservations about this clause and about extending the period for which people can be kept in custody on no charge from 14 days to three months? Although many of us might vote for the Bill on Second Reading, we have grave reservations.

Mr. Clarke: I certainly recognise that. I have discussed those reservations with a number of colleagues, and if I might say so, my hon. Friend put the position accurately and succinctly. The way to address such reservations is to accept that we need legislation, to have arguments and discussions inside our party and across the Floor of the House on the matters of concern, and in particular the 90-day limit, and then to decide what to do.

Mr. David Winnick (Walsall, North) (Lab): I, too, will be voting for the Second Reading of the Bill. I am about the last person in the House to underestimate the dangers of terrorism, which some of us warned about long before what happened in the United States four years ago. On the three-month detention, however, will my right hon. Friend accept that the deep concern felt about that period is certainly not confined to the Liberal Democrats? Will there be further consultation between now and Committee to see whether an accommodation can be reached? If we want to reach a consensus, let us be frank: we will not reach a consensus on the 90 days, be it in this House, the other place or in the country at large. I hope that he can show some flexibility on that important issue.

Mr. Clarke: I am grateful to my hon. Friend for his intervention, and I agree that it is right to be flexible. I have made it clear throughout that consensus is the right way to proceed, not only in our party, which is an often ambitious target, but even with Opposition Members. It would be better if we sent out a united and coherent message. In Committee, on Report and otherwise, I am ready to be flexible in discussions, if we can reach an agreement. Furthermore, it would be better if the House resolved the matter rather than left it to the other place, but that requires Members on both sides of the House to work constructively to reach agreement.

Steve McCabe (Birmingham, Hall Green) (Lab): Allowing for people's anxieties, is not our track record that detention beyond seven days has been used very sparingly since that period was extended in 2004? Is not it fair to say that the real choice that might confront the House is whether to give an advantage to the police when trying to deal with complex terrorist investigations—an advantage that can be subject to parliamentary and judicial scrutiny—or to give that advantage to the terrorist?

Mr. Clarke: My hon. Friend's assessment is correct. That will be one of the issues that we discuss later in the passage of the Bill.

Mr. Sadiq Khan (Tooting) (Lab): My right hon. Friend talked about the strategy for fighting terrorism, the final part of which was the international element. The one thing that he missed out, however, is intelligence gathering, which experts tell us is a vital part of the strategy. In addition to concerns about section 44, does he accept that some clauses of the Bill limit the

[Mr. Sadiq Khan]

ability of our security services to gather intelligence from parts of the community that would otherwise come forward and provide intelligence?

Mr. Clarke: My hon. Friend is entirely correct to put the gathering of intelligence at the centre of what we do. He is also entirely correct in the corollary of that point, which is that it is important to have close relationships with the community. I pay tribute to the work that he has done to achieve that since he entered the House, and particularly since July. I do not, however, accept his suggestion that our proposals would damage our ability to achieve it.

Mr. Kenneth Clarke (Rushcliffe) (Con): Will the Home Secretary give way?

Mr. Clarke: I shall be happy to give way, but I am about to deal with the 90-day point.

Mr. Kenneth Clarke: Before the Home Secretary does that, may I ask him a question? He has referred to the House's possible reactions to the Bill as a whole, as opposed to the 90-day rule. Does he not accept that reservations about the Bill as a whole result from circumstances that have arisen in response to events? It is only a few months since we produced legislation of this kind in response to Belmarsh, which was highly controversial and which referred to none of these issues.

This Bill bears all the hallmarks of a reaction to the 7 July bombings, when the Government felt the need to do something. We were even told that the House might be recalled during the recess. Much of the Bill is covered by existing legislation. It looks as though there has been a trawl through the criminal law in an attempt to put together a tough-looking Bill, in order to demonstrate that the Government are projecting us further. In fact, most of the Bill is peripheral to the heart of the real problem.

Mr. Clarke: As one who was keen to promote the right hon. and learned Gentleman's candidacy for the leadership of his party—even if only to keep the name Clarke in lights as much as possible—I have to say that, notwithstanding my deep regret over his failure to survive the first ballot, the reason may have been a lack of homework on some of the issues that need to be addressed.

This Bill was envisaged in debate on the Floor of the House during the passage of the Bill that became the Prevention of Terrorism Act 2005. That is because when measures to deal with offences involving, for instance, incitement and training were proposed by the Newton committee and others, we said that we would return to them for precisely the reason that the right hon. and learned Gentleman cites: the need for prosecution. I gave the House a commitment that we would legislate on those issues during this parliamentary Session.

It is true that following the events of 7 July there are more measures in the Bill than would otherwise have been the case. We sent a list of proposals to the right hon. Member for Haltemprice and Howden and the hon. Member for Winchester as early as 15 July. That list had been prepared in the spirit of following through our proposals. The Bill is therefore not emergency legislation. Moreover, the fact that we are allowing two days on the Floor of the House for the Committee stage and another two days for Report indicates our keenness to establish the non-emergency nature of the legislation, and to put it on a proper footing.

Simon Hughes (North Southwark and Bermondsey) (LD): Will the Home Secretary give way?

Mr. Robert Marshall-Andrews (Medway) (Lab): Will the Home Secretary give way?

Mr. Clarke: I want to make some progress before giving way again. I have given way a fair amount, and I will continue to do so keenly, even to some of the most experienced demagogues in the House. I know that my giving way to them will be a joy for the whole House, if not for me. I promise them that I will give way later.

Let me say something about the specifics that we shall debate in Committee and on Report. Part 1 contains several new offences. The first is the offence of encouragement of terrorism, also known as indirect incitement. It is already an offence under our law to incite people directly to commit specific terrorist attacks. We now want to be able to deal with those who incite terrorism more obliquely, but who nevertheless contribute to the creation of a climate in which impressionable people might believe that terrorism was acceptable. The Bill criminalises those who make statements which they believe, or have reasonable grounds for believing, are likely to be understood by their audience as an inducement to commit terrorist acts.

Michael Gove (Surrey Heath) (Con): Will the Home Secretary give way?

Mr. Clarke: I shall give way in a moment, but I shall choose my own time to do so, if I may.

The Bill extends the provisions to those who disseminate terrorist material, including on the internet, but makes it clear that those who simply transmit material that does not reflect their views will not be caught. That will, among other things, enable the United Kingdom to ratify the Council of Europe's convention on the prevention of terrorism, which I think is an important step.

The encouragement offence also includes glorification, which was a manifesto commitment. After we published our initial proposals, it was clear that there was considerable unease about the proposal for a self-contained offence of glorification of terrorism. In the spirit of consensus, we have now responded to that concern. Accordingly, glorification is now an offence only if the person who glorifies terrorism believes, or has reasonable grounds for believing, that the remarks will be understood as an incitement to terrorist acts.

Some concern has been expressed about the appropriate definition of terrorism, particularly by the Chairman of the Home Affairs Committee, my right hon. Friend the Member for Southampton, Itchen. The definition that will apply to the new offences in the Bill is the one that was agreed by Parliament for the Terrorism

Act 2000, with the addition of a small change which will bring threats against international bodies, such as the United Nations, within the scope of the definition. Beyond that, the Bill uses the definition of terrorism that has become established in our law.

The definitions used internationally, such as that used in the recent European Union Council framework decision of 13 June 2000, do not appear to be substantially different, and we do not consider them to have advantages over the definition used in the UK legislation. Following the Security Council resolution from which I quoted earlier, the UN is still seeking agreement—which I think will be difficult to achieve—on an appropriate definition of terrorism.

Let me emphasise, in the light of the discussion that we have been having, that the Bill will not in any way interfere with the right of political demonstration, with criticism of any regime or with an appeal for change, however strongly worded. Nor will it interfere with the rights of individuals to seek other peaceful means of achieving political ends. What it outlaws is the encouragement of violent attacks.

The offence of encouragement of terrorism is a serious offence, carrying a maximum sentence of seven years' imprisonment, and has been framed with a number of safeguards. First, the person making the statement must have known, believed or had reasonable grounds for believing that it would have been likely to be understood as an encouragement of terrorism by a member of the audience to whom it was made. Secondly, any prosecution could proceed only with the permission of the Director of Public Prosecutions, who would have to determine whether a prosecution was in the public interest. That is an important safeguard, and not to be taken lightly.

Simon Hughes: Will the Home Secretary give way?

Mr. Clarke: I give way to demagogue No. 1.

Simon Hughes: I am grateful to the Home Secretary—though not for the accolade.

Does the right hon. Gentleman not realise that, on this part of the Bill as on others, not only is our position on the principle that stated by my hon. Friend the Member for Winchester (Mr. Oaten), but we have always been prepared to support the Government when there is consensus? We said that last year, and we have said it since the election. There is potential for consensus if the Home Secretary goes further with the part of the Bill that deals with such issues as intent, and there is potential for consensus elsewhere. That, surely, must be the best basis for legislation against terrorism.

Mr. Clarke: I judge all Members principally by their acts, and the key act is voting. I judge them on how they vote on crucial questions. I am very ready to accept that the hon. Gentleman is displaying integrity when he says he seeks consensus. That is a generous assessment, but I am ready to make it. Ultimately, however, the choice is simple: do we believe that the Bill should have its Second Reading or not? If we say no, we are saying that there will be no counter-terrorism legislation.—*[Interruption.]* That is what is meant by a vote in the House of Commons. If an hon. Member decides that he does not agree with a particular measure, a particular clause or a particular set of clauses, he will either table an amendment or vote against the clause or clauses during the substantial consideration of the Bill in Committee and on Report. I might disagree with that, but I would respect it.

The hon. Member for Winchester made clear in our discussions during the summer that he had real difficulty with one or two points, not only on his own account but on that of his party. He is entitled to adopt that position: it is a reasonable position for a political leader to adopt. What he is not entitled to do—and this is why I make my point as sharply as I do—is say, "We oppose any legislation on counter-terrorism."

Several hon. Members *rose—*

Mr. Clarke: I give way to demagogue No. 2.

Mr. Marshall-Andrews: I am grateful to the Home Secretary.

A little while ago, a perfectly respectable public figure expressed the sentiment that, in view of the nature of the occupation of Gaza and the west bank, she fully understood how some young Palestinians could be driven to become suicide bombers. That statement would appear to contravene every single part of clause 1. Is the intention to criminalise that statement?

Mr. Clarke: I am not sure whether my hon. and learned Friend was quoting Jenny Tonge or Cherie Blair. Those are the quotations that are often batted around. I am glad that he has raised the issue, however, because absolutely nothing in the Bill would prevent anyone from expressing understanding, from discussing why something had happened or from voicing any such emotions.—*[Interruption.]* It is not about encouragement or incitement, so the statement to which my hon. and learned Friend refers would not in any sense contravene this legislation.

Mr. Dominic Grieve (Beaconsfield) (Con): I am grateful to the Home Secretary for giving way. I take him back to the definition of terrorism—an issue that we will have to consider very carefully. Is it not true that one reason why terrorism is undefined at the United Nations is that many a despotic regime is only too pleased for any violence used against it to be described as terrorism, just as the Germans described the actions of the French resistance during the second world war as terrorism? We will have to tackle this issue, because as drafted the definition is so wide that legitimate armed resistance to tyranny would be covered and any encouragement of it would be criminalised.

Mr. Clarke: As I have said on a number of occasions, I simply do not accept that. Quite apart from points of principle, such as how one could or should have resisted fascism between the wars or promoted change in eastern Europe after the war, it is important to understand—hence my devoting quite a lot of the early part of my speech to the issue—the nature of the terrorist threat that we are dealing with now, compared with some that we have had to deal with in the past. It is right as we legislate today to take that into account.

Rob Marris (Wolverhampton, South-West) (Lab): I am very grateful to my right hon. Friend—he is being

[Rob Marris]

very generous. Of course we face a terrible terrorist threat in this country and around the world. However, let us consider the example of Burma and imagine that I said the following to the Karen people: "It's fantastic that you blew up that railway line and didn't injure anybody, as an act against a regime under which you do not have democracy. Please keep doing it again and again, until the regime in Burma is changed. As long as you don't injure people, I'll support you blowing up railway lines." If I said that, would I not be breaching clause 1?

Mr. Clarke: Actually, such a specifically violent act could kill. Such people say that they do not want to kill, but when the NatWest tower was blown up, people were killed, even though it was suggested that that should not happen. If we advocate acts that would kill people—*[Interruption.]* The act that my hon. Friend describes would have that effect, and it would be taken into account.

Michael Gove: I am very grateful to the Home Secretary for giving way. He is doubtless familiar with the Muslim Council of Britain's media spokesman, Mr. Inayat Bunglawala, who has been asked to advise the Home Office on a number of cultural matters. Mr. Bunglawala has in the past said that Sheikh Omar Abdul Rahman, who was responsible for the first attack on the World Trade Centre in 1993, was "courageous" and was arrested only because he called on Muslims to fulfil their duty to Allah to fight against oppression and oppressors everywhere. Mr. Bunglawala subsequently wrote of Osama bin Laden that he was a "freedom fighter". Are these comments to be criminalised under this legislation?

Mr. Clarke: That case would be considered by the court at the time, but I should point out that the individual concerned has recently—more recently than the period to which the hon. Gentleman refers—gone out of his way to condemn, at length, terrorist acts. I am not an expert on his writings and works, but his conduct in respect of all such issues should be taken in the round.

Mr. Denham: I am grateful to my right hon. Friend, who makes a powerful case for legislation to deal with the terrorist threat that we face, but does he not acknowledge that this legislation goes far wider than that? It is a question not of someone in this country supporting an action taken somewhere else in the world, but of anyone anywhere in the world supporting any type of violence. If an Uzbek living in Uzbekistan supported the destruction of a statue as a symbol of opposition to the tyrannical regime in his country, he would be guilty of an offence under clause 17, and liable to prosecution and seven years' imprisonment, should he come to this country. Is it really our intention to do the dirty work for some of the most oppressive and tyrannical regimes in the world?

Mr. Clarke: As my right hon. Friend knows, it is not our intention to do anybody's dirty work; rather, we intend to do our best to protect this country—and, indeed, the world—against terrorism as a means of political change. All our constituents will want us to do that as best we can. That said, I concede, as I have to my right hon. Friend privately and in his Committee, that we have to look at these definitions in order to avoid such questions arising. I say again—

Madam Deputy Speaker: Order. I ask the right hon. Gentleman to face the microphone in addressing the House. Otherwise, it is difficult for hon. Members to hear.

Mr. Clarke: I apologise, Madam Deputy Speaker; I did not intend to be rude.

We will look at these issues in Committee, and as I have said to the Home Affairs Committee and to others, if amendments are tabled that seem to meet the concerns expressed by my right hon. Friend the Member for Southampton, Itchen, we will look at them very seriously. In our opinion the definitions in the Terrorism Act 2000, which form the basis of our current position, are the best founded that we have in our law, and they have not led to the abuses that some people are concerned about.

Several hon. Members *rose—*

Mr. Clarke: I know that a lot of Members want to get in, but I shall give way twice more and then make some more progress. I give way to my hon. Friend the Member for Sheffield, Attercliffe (Mr. Betts).

Mr. Clive Betts (Sheffield, Attercliffe) (Lab): I thank the Home Secretary for giving way. I know that he genuinely wants to win over the Muslim community in this country in the fight against terrorism, but I wonder whether he understands the point that Muslims in my constituency made to me. They said that despite any assurances that prosecutions may generally not be in the public interest, the thousands of people who support resistance to what they regard as the occupation of Palestine or who support those whom they regard as freedom fighters in Kashmir will feel criminalised by this legislation. It will do nothing to win them over in the general fight against terrorism, in which we need their support.

Mr. Clarke: On the contrary, I believe that we are doing a great deal to win those people over through our actions in the communities—I described those actions earlier, and my hon. Friend is pursuing them—and through our efforts to promote a peaceful settlement in the middle east. Those who believe that blowing up a tourist coach in Tel Aviv are in some sense moving that peace process forward are mistaken. In my opinion, they are setting back that process.—*[Interruption.]* I would argue that the point applies in all such circumstances. My hon. Friend is correct to point to the importance of a very close dialogue with the communities in question, but it is very important not to confuse an argument for

a particular form of political change in a particular place—the middle east, for example—with an argument for the form of violent change that has been described.

Several hon. Members *rose—*

Mr. Clarke: I will give way once more, to my hon. Friend the Member for Birmingham, Northfield (Richard Burden), and then make some progress.

Richard Burden (Birmingham, Northfield) (Lab): I am grateful to my right hon. Friend. Is it not true that the Bill's definition of terrorism goes rather further than he is suggesting? Paragraph 19 of the explanatory notes states:

"The Bill also makes use of the term acts . . . of terrorism. Act and action are both defined in section 121 of the TACT",

which is the Terrorism Act 2000. It continues:

"Section 1(5) makes it clear that . . . an act is also for the purposes of terrorism if it is taken for the benefit of a proscribed organisation. Clause 20(2) of the Bill makes it clear that acts (or act) of terrorism as used in the Bill includes an act taken for the purpose of terrorism and so includes an act taken for the benefit of a proscribed organisation."

There is no doubt that Hamas is a terrorist organisation and that it is already proscribed under existing legislation. Let us consider the question of its having a major internal debate about whether to get involved in the political process in the west bank. If a Member of this House tried to use their influence with Hamas—through intermediaries or directly—to persuade it to get involved in that political process, that would probably be to the benefit of that organisation. Would it be criminal to do so?

Mr. Clarke: First, it would be to the benefit of that organisation, and, secondly, it would not be criminal. In fact, Hamas' role in these matters is dealt with.

Several hon. Members *rose—*

Mr. Clarke: I want to make some more progress. I have already spoken for almost an hour.

Mr. Peter Kilfoyle (Liverpool, Walton) (Lab): Will my right hon. Friend give way once more?

Mr. Clarke: I shall give way to my very charming, non-demagogic hon. Friend.

Mr. Kilfoyle: I am grateful to my right hon. Friend. Like every other Member, I get regular missives in the names of Members of the other House on behalf of the National Council of Resistance of Iran, which commits acts of sabotage and violence in Iran against the elected Iranian Government. Would those who advocate its cause be guilty of an offence under this legislation?—*[Interruption.]*

Mr. Clarke: As my hon. Friend the Member for Bolsover (Mr. Skinner) points out from a sedentary position, that is an interesting reinterpretation of the House of Lords' role. I cannot comment on a particular organisation, but I shall look at the case that my hon. Friend the Member for Liverpool, Walton (Mr. Kilfoyle) mentions.

The Bill creates a new offence of acts preparatory to terrorism that I hope will find favour in all parts of the House. It also deals with training for terrorism and makes it an offence to give or receive training for terrorist purposes, or to attend a terrorist training camp. It contains the necessary measures to enable the United Kingdom to ratify the United Nations convention on the suppression of nuclear terrorism, and it extends the offence of criminal trespass to civil nuclear sites for reasons that, I hope, all Members will understand, given that such sites need the maximum possible protection. On that theme, we have decided that a small number of key military sites should be covered by the protection afforded by the offence of trespassing on a designated site in sections 128 to 131 of the Serious Organised Crime and Police Act 2005. An order designating those sites to be protected will be submitted to the House by my right hon. Friend the Secretary of State for Defence in due course.

I should perhaps have emphasised more strongly in my responses the fact that all prosecutions for offences in part 1 require the consent of the Director of Public Prosecutions and that any offences involving the affairs of another country also require the consent of the Attorney-General. There is therefore a serious bar in the process in respect of some of the issues that have been raised.

Part 2 makes changes in respect of proscription. I believe that proscription provides an important part of our armoury in the fight against terrorism and I am grateful that the House recently endorsed without a Division the order to proscribe an additional 15 organisations. The Bill widens the criteria for proscription to encompass groups that glorify terrorism, where it is reasonable to expect that such glorification will be seen by others as an inducement to emulate the terrorist acts in question.

Tony Baldry (Banbury) (Con) *rose—*

Mr. Clarke: I am not giving way.

I now move on to deal with pre-charge detention—another key area of controversy. The Government propose to increase the maximum period of time that a person can be held prior to charge in terrorist cases from 14 days to three months. We believe that there is a compelling case, which is strongly supported by the police.

Mr. Chris Mullin (Sunderland, South) (Lab) *rose—*

Mr. Clarke: I will give way to my hon. Friend when I have made further progress.

Lord Carlile of Berriew, a Liberal Democrat peer, said in paragraph 61 of his report published on 12 October:

"I am satisfied beyond doubt that there have been situations in which significant conspiracies to commit terrorist acts have gone unprosecuted as a result of the time limitations placed on the control authorities following arrest".

[Mr. Clarke]

That is a strong statement, which I greatly respect. The case for an extension to three months was set out very clearly in my letter of 6 October to Opposition spokespeople and in the accompanying paper from assistant commissioner Andy Hayman, the nation's most senior anti-terrorist police officer.

Much of our anti-terrorist legislation derives from our experience of dealing with 30 years of Irish terrorism, but the fact is that we are dealing with a very different threat now and we believe that the current time limit is not well designed to deal with that new threat. Recent terrorist plots have been designed to cause mass casualties, with no warnings, sometimes involving suicide and with the threat of chemical, biological, radiological and nuclear weapons, to which Lord Ashdown referred last Monday in the quote that I cited earlier. The need to ensure public safety by preventing such attacks means that it is necessary to make arrests at an earlier stage than in the past, when there was a culture of warnings and where weapons of mass destruction did not exist as now. That often means that less evidence has been gathered at the point of arrest, which means that more time will be needed to gather sufficient evidence to charge a suspect.

Terrorist networks are often international—another difference in the evolution of the threat that we face. That means that inquiries have to be undertaken in many different jurisdictions and under different rules. Many of those cannot operate to tight time scales. Moreover, establishing the identity or even the nationality of suspects can take a long time and the use of forged and stolen documentation compounds the problem. The global nature of modern terrorism means that it is often necessary to employ interpreters. It is sometimes necessary to find interpreters who can interpret dialects from remote parts of the world. Such interpreters can be hard to find, which, together with interviews to be translated, slows down the process and restricts the amount of time available.

Terrorist cases are also highly complex. I remind the House that investigations into the events of 7 and 21 July yielded 38,000 exhibits that filled two warehouses, all of which need to be scrutinised. The same investigations required 80,000 videos of CCTV footage to be studied and 1,400 fingerprints across 160 crime scenes. As I said earlier, terrorist networks are now highly capable of using technology. In recent cases, a large number—sometimes in the hundreds—of computers and hard drives have been seized and much of the data on those computers have been encrypted. The examination and decryption of data on such computers and hard drives takes time and expertise; then, of course, the data need to be analysed in order to incorporate the outcome of the analysis into an interview strategy.

Mr. Hogg *rose—*

Mr. William Cash (Stone) (Con) *rose—*

Mr. Clarke: I have already said that I am going to give way at an appropriate point later.

Forensic requirements are still more complex and time consuming, particularly with the possibility of chemical, biological, radiological and nuclear hazards. It often takes a long time to make a site safe before it can be examined. That applied in the case of the London attacks in July, and the al-Qaeda methodology of mounting simultaneous attacks extends the time taken for proper crime scene examination and analysis.

The use of mobile telephony by terrorists, as a secure means of communication, is, by definition, a relatively new phenomenon. It takes time to obtain information from service providers and subsequently to analyse that information to identify links between suspects and their locations at key times.

For all those reasons, I believe that a strong case exists for increasing the maximum detention period. I stress that we are talking about a maximum period. Very few cases currently run to 14 days and we would expect an even smaller proportion to run beyond that. The safeguards that exist are designed to ensure that no one is kept for any longer than absolutely necessary.

Mr. Cash *rose—*

Mr. Hogg *rose—*

Mr. Clarke: I have already said that I will give way at an appropriate point in my speech, and I repeat that. I am sorry if the right hon. and learned Member for Sleaford and North Hykeham (Mr. Hogg) is a little deaf.

All detention beyond 48 hours will have to be authorised on at least a weekly basis by a district judge. The judge can permit detention to continue only if he is satisfied that it is necessary and that the investigation is being carried out as expeditiously as possible. If that is not the case, the person must be released. I have said publicly to the Select Committee chaired by my right hon. Friend the Member for Southampton, Itchen that I am ready to consider in Standing Committee the case for such authorisations to be made by a senior circuit judge, as recommended by Lord Carlile. As now, the independent reviewer of our terrorism legislation will be able to monitor the use of this power and report any concerns that he or she may have. I shall give way at this point to the right hon. and learned Gentleman.

Mr. Hogg: Many of us who practise in the criminal courts are aware of the danger of confessions made after extensive questioning. Indeed, that is one of the reasons why the protections of PACE were put in place. With 90 days—or, indeed, any extended period of detention—during which people are questioned for many days after they have been held in custody, there is a serious risk of their making confessions that are not sound. Alternatively, they may make accusations against other people that are not sound. They will do so, of course, in order to get out of custody. Will the right hon. Gentleman consider that point?

Mr. Clarke: That precise risk, which the right hon. and learned Gentleman rightly identifies, will be taken into account by the courts when they come to consider any charges. The circumstances under which such risks might arise will also be taken into account by the judge who considers the police application for holding a person for a longer period.

Mr. Grieve: If the Home Secretary is going to continue with the line of having 90 days' detention, are we not going to need a completely separate set of PACE rules to cover detention beyond the 14-day period? It would be helpful to the House if he could confirm that he has given some consideration to that matter.

Mr. Clarke: I have given that matter consideration and I am prepared to consider it further in Committee.

Mr. Mullin: I cannot for the life of me imagine why we have uncritically accepted the 90-day period and I am sure that the police are as amazed as we are that the Government so quickly endorsed their first throw of the dice. Will my right hon. Friend confirm that, so far, no one has been detained for the full 14 days? I think that two were held for 13 days. If so, how can such a large leap from 14 to 90 days be so urgent?

Mr. Clarke: In general, I respect my hon. Friend's contribution to the debate, including the article that he recently published, but I do not respect his argument about the approach of the police. They were not throwing dice; they do not approach the matter in a gambling way; they are not trying to put forward some hazard. They are trying to make a serious assessment while legislation is being considered in the House of the time that they are likely to need in certain extreme circumstances. They may be right or wrong and people may reach a view as to whether they have made their case well, but it is nothing to do with gambling. The reason why a small number of cases have not exceeded 14 days is precisely because of the 14-day requirement.

Mr. David Heath (Somerton and Frome) (LD): Are not the circumstances requiring the additional time, which many of us find difficult to accept, applicable before the Home Secretary has at his disposal the palette of lesser offences envisaged in the Bill? Would it not be a much more satisfactory solution to charge people with committing acts preparatory to terrorism or of withholding information in order to put them before a court in a proper way? Is that not preferable to holding people without charge?

Mr. Clarke: There are two points there. First, in the circumstances that I described in my earlier remarks, it is not clear that evidence has been collected for acts preparatory to terrorism within the requisite time scale. Secondly, the Government are looking closely at whether any form of legal evolution, if I may put it like that, might be beneficial in respect of lower or higher charges. We are prepared to consider that possibility, whose implications go wider than this Bill. There will be concerns about that proposition, but it is reasonable for us to consider it and determine what might be done. At present, however, we do not see how it would help the situation.

David Davis (Haltemprice and Howden) (Con): Clearly, massive issues of natural justice are involved in the 90-day proposal, but there are also serious questions about its effectiveness. A person might be held for 90 days while evidence is pursued, but if that pursuit fails, he or she will be released after, in effect, spending three months in jail. In that case, will not the state have created a martyr to the cause that it is trying to defeat?

Mr. Clarke: That is a possibility, which is why extensions of the detention period will be subject to judicial review at each stage. Moreover, when the police decide whether to seek judicial agreement to extend the period of detention prior to charge, they will take into account precisely the considerations that the right hon. Gentleman outlined. He raises a legitimate point, but given the very small number of cases that are likely to arise, I do not think that the outcome that he suggests is either likely or realistic.

Mr. Khan: My right hon. Friend has said that Lord Carlile supports the extension proposal. However, Lord Carlile has criticised the Bill for the inadequacy of the protection given to suspects, and has recommended eight separate safeguards—including the use of an examining magistrate—to be employed if consideration is being given to detaining a person for more than one month. Given that the recommendations are unlikely to be included in the Bill, will my right hon. Friend concede that there is no possibility for hon. Members, even in Committee, to recommend detention of more than 28 days?

Mr. Clarke: I do not concede that, but I will concede that the points raised by my hon. Friend and Lord Carlile—and I emphasise that Lord Carlile supports the Bill in principle—require us to look at the safeguards that have been suggested. We are certainly ready to do so, both in Committee and outside it.

Mr. Adrian Bailey (West Bromwich, West) (Lab/Co-op): Andy Hayman makes a pretty strong argument in his submission, but I accept that the extension of detention from seven days to three months is dramatic and rather arbitrary. In the past, the judiciary have demonstrated a very strong commitment to protecting human rights in such cases. Would not the sensible and balanced procedure be to pass enabling legislation in respect of the extension, but to put its scrutiny, process and management into the hands of those who have demonstrated both expertise in and concern for human rights—that is, the judiciary?

Mr. Clarke: I appreciate that the judiciary has a strong role in this process, but so does Parliament. It is important that we put in place a proper review process, so that the House can come to a view from time to time on the operation of the legislation. That is the way to go.

Several hon. Members *rose—*

Mr. Clarke: I shall give way a couple more times, then conclude my remarks.

Mr. Baron: I want to return to a point that I tried to make earlier. The Government are fast establishing a track record of accepting recommendations from the security forces without giving them a sufficiently

[Mr. Baron]

rigorous examination. Will the Home Secretary explain what evidence he has seen to back up his contention that the detention period should be lengthened? Specifically, why has an extension to 90 days been chosen?

Mr. Clarke: I reject the hon. Gentleman's charge completely. Perhaps I should have done so earlier, in response to my hon. Friend the Member for Sunderland, South (Mr. Mullin). It is completely and utterly false to suggest that the police come up with a proposition to which we all say, "That's all right then." When we ask the police for their assessment of a situation, they give it. We take that assessment seriously, because the police have high levels of professional expertise and competence in dealing with matters of forensics, encryption, international relations and so on. That was demonstrated most recently here in London in July. They understand the problems that they are trying to wrestle with very clearly, and the old days of good cop, bad cop are gone.

I take the police seriously, but I scrutinise what they say. However, even if I did not do that, this House and everyone else would—and rightly so. I ask hon. Members to be a little more even handed than the hon. Member for Billericay (Mr. Baron), and to scrutinise what the police say while bearing in mind the possibility that they might be right.

Tony Lloyd (Manchester, Central) (Lab): Earlier, my right hon. Friend spoke about the need to comply with the European convention, and I endorse what he said very strongly. However, this country gives off very strong signals when it changes its laws on terrorism. Any change here is used as evidence by other countries that they can do the same. Given that, is this aspect of the Bill compatible with the European convention?

Mr. Clarke: This aspect of the Bill is compatible with the convention because the whole Bill is compatible, but my hon. Friend raises an interesting point. I discuss how to deal with terrorism with colleagues in the EU, the US, Russia and other countries, yet our legal system adopts a different approach from many others. That is why I referred to the report from the Foreign and Commonwealth Office about how these matters are dealt with in a variety of other jurisdictions and systems. I acknowledge that completely different legal systems are involved, but in the EU and other countries people can be held for very long periods—up to four years—while charges are investigated. We must look at that, and I accept that legal systems vary widely. However, we discuss these questions a lot, and I repeat that the Bill is compatible with the European convention.

Mr. Denham: My right hon. Friend has been very generous in giving way, and I have a simple question about the Crown Prosecution Service. Specialist prosecutors are used for a range of offences, including domestic violence and street robbery, but are they used in terrorism cases? If not, should not consideration be given to developing their use in that respect? In that way, the option of charging people with lesser offences for which they can be remanded could be investigated proactively before any extension of detention were considered.

Mr. Clarke: I can answer my right hon. Friend directly: yes, there are specialist prosecutors in the areas that he mentioned, and I accept his recommendation that their use should be developed. However, it is important to note that the CPS's expertise in these matters has led it to support the changes proposed in the Bill. People sometimes say, "Don't trust the experts." I suppose that that is a good guide in many walks of life, and better than saying, "Trust the politicians, they're not experts in anything." The truth is that we should take the views of our experts seriously, whether they be prosecutors, police or something else.

Mr. Cash: Will the Home Secretary give way?

Mr. Clarke: No, I am going to conclude.

Mr. Cash: The right hon. Gentleman said that he would give way to me.

Mr. Clarke: I am terribly sorry, but I am not going to give way. Part 3 of the Bill contains the normal miscellaneous and supplementary provisions, but—

Mr. Cash: Will the Home Secretary give way? He is running away from debate.

Madam Deputy Speaker: Order. It is entirely up to the Home Secretary to decide when he will accept interventions, and from whom.

Mr. Clarke: Thank you very much, Madam Deputy Speaker. It is deeply wounding to be accused of running away from debate, given the interventions that I have allowed from such a large number of people. If the hon. Gentleman had run for leadership of his party, I promise that I would have given way to him. However, he did not, and I am not sure which candidate he supports today.

Finally, I draw attention to clause 35, which provides for the appointment of an independent reviewer to report on the operation of the legislation. Earlier, I commended to the right hon. Member for Beith-on-Sea—I mean the right hon. Member for Berwick-upon-Tweed—the role played by Lord Carlile. I am sure that the whole House will appreciate the care and attention that he has brought to that role. He is noted for his independence of thought, and the House may be interested to hear what he says about the Bill. In paragraph 111 of his report, he states:

"I regard the current proposals as providing a set of useful and necessary additions to the law to counter terrorism."

I commend the Bill to the House.

Madam Deputy Speaker: I confirm to the House that neither of the amendments proposed has been selected for debate by Mr. Speaker.

2.38 pm

David Davis (Haltemprice and Howden) (Con): This debate is part of a process that began before 7 July, but which took on a new urgency after that date. On that day, we met to pay tribute to those who lost their lives, and to those who rushed to save them. We do so again today.

That day was the worst of days, but it brought out the best in the British people. It highlighted an instinctive desire to pull together, an unwillingness to be cowed or bullied by the terrorists, and a stubborn determination to get on with our lives.

On 7 July, there were a few evil men, but many more good men and women. They responded to the horror with fortitude, self-sacrifice and great generosity. That is the way we defeat terrorism: by holding firm to our beliefs. Global terrorism is an attack on those very things—our way of life, our beliefs, our liberties, and our lives. So let me deal with one crucial argument right up front.

The Prime Minister said recently:

"I care about one basic . . . liberty which is the right to life of our citizens and freedom from terrorism"—

fine words, but we should remember that literally millions of people have died to defend all the liberties that we enjoy today. They were secured through the sacrifices of previous generations. So let us not be the generation that casually gives them away.

The Conservative party has long stood for liberty under the law, but a belief in individual freedom, in freedom of speech, and in our rights to justice are not the monopoly of any one party. The whole House—every individual Member and party member—faces a difficult but vital challenge with the Bill. We must balance the security of the nation with the rights of ordinary citizens.

With that warning, let me turn to the substance of the Bill. Let me start by thanking the Home Secretary for the way he has conducted himself throughout the discussions we have had about the Bill over the entire summer. Despite the pressures from the public, the press, and even the Prime Minister, he has brought a welcome openness of mind to the negotiations. As a result, there are many aspects of the Bill that I am able to support unequivocally.

We welcome plans to create a new offence of acts preparatory to terrorism; indeed, my party has called for that for some time. We also welcome the powers to clamp down on those who take part in terrorist training, or who visit terrorist training camps. Also, within limits, we support powers to introduce a new offence of indirect incitement to terrorism. Although there are significant drafting problems, all of these, and a number of other detailed aspects of the Bill, are intelligent, proportionate and, arguably, long overdue. They are necessary, and they are necessary now. But there are serious issues with other parts, so we must all pause, draw breath and think through the implications very carefully indeed.

Tony Baldry: I understand why we want to put up a united front with the Government today against terrorism. However, while going through the Bill, would my right hon. Friend make clear those parts of the Bill that, if the Government do not amend in Committee, we shall vote against on Report? As the Bill is drafted, indirect incitement to terrorism is an offence that could be committed by negligence. We have to carry with us not just communities but, in due course, juries, and would not that offence be far better as an offence of specific intent rather than an offence of negligence?

David Davis: My hon. Friend very intelligently pre-empts the next part of my speech. Let me say, because of the important parts of the Bill that are necessary now, we want to see the Bill make progress, but in Committee—which as he is aware will be held on the Floor of the House at our request—and on Report we will resist the 90-day proposal, which I will go through in detail in a moment, and seek to amend quite sharply the proposals on glorification, because they, as the Bill stands, and as has been apparent from the debate so far, are seriously flawed. So we will oppose or amend in Committee and on Report and if we fail in those measures, we shall vote against Third Reading. That is the proposal that I am putting to the House today.

Chris Bryant (Rhondda) (Lab): I am grateful to the right hon. Gentleman for giving way because I am sure that many people in the House would like to know precisely how he hopes to amend that clause. While everyone says that terrorism has not changed through the ages, in many ways it has. As one who was thrown out of Pinochet's Chile in 1986—incidentally, his Government were supported at the time by the right hon. Gentleman's Government—for attending the funeral of a boy who had had petrol poured over him and been set on fire by the police—*[Interruption.]* The right hon. Member for Haltemprice and Howden (David Davis) is asking me to hurry up, but this is an important matter. Some of us would like to know precisely how he intends to change this issue, because if it is too indirect, of course glorification should be opposed.

Madam Deputy Speaker: Order. Interventions are getting far too long.

David Davis: I shall explain that in detail during my speech.

Mr. Marshall-Andrews: The right hon. Gentleman knows that, contrary to what the Home Secretary has maintained, any public expression of sympathy with or understanding of terrorist acts by people, including young Palestinians because of the west bank, would be criminalised under the Act because intention has not been built into the Bill. That is the vice. May I press him on that, therefore—the question that was asked before: is it the intention—

Madam Deputy Speaker: Order. I remind the hon. and learned Gentleman that interventions must be brief.

David Davis: I missed the end of what the hon. and learned Gentleman said, but if he is asking whether intention will be the key measure, yes is the answer. I shall return to that.

Mr. Brian Binley (Northampton, South) (Con): I am most grateful to my right hon. Friend for giving way. You mentioned that you would pay particular attention—

David Davis: He mentioned.

Mr. Binley: My right hon. Friend mentioned that the Front Bench would question the 90-day rule very seriously, and indeed the glorification point. I support the council for resistance in Iraq, and I do so consistently. Will he therefore accept that part 1 of the Bill makes a nonsense of some of the Secretary of State's words and needs amending enormously?

David Davis: My hon. Friend is entirely right. Indeed, he picks up the point made by the shadow Attorney-General to the Home Secretary, which is that the definition of terrorism in the Bill, because it is based on the United Nations definition, is inadequate. There are common-sense elements to this which are self-evident: for example, that it is always wrong to blow up innocent civilians, and that it is always wrong to attack a democracy. So I do not believe that we are incapable of creating a set of definitions that will allow us to achieve what is intended in the Bill. That is what we will set out to do in Committee on the Floor of the House, in which everyone can take part, and on Report if we do not succeed.

I intend to make progress now. Poorly drafted counter-terrorism measures have many risks. They can be ineffective. They can fail to ensure successful prosecution of actual terrorists. They can trip over human rights legislation, or be used and abused for the wrong purpose. They can impinge on the rights and freedoms of innocent people in their attempt to deny those rights and freedoms to guilty people. As a result, they can easily create a sense of injustice which can act as a rallying call to each would-be terrorist in the country. Time and again we see counter-terrorism measures—statutory and otherwise—being used for the wrong things. Examples have been mentioned during earlier interventions on the Home Secretary, but I shall repeat them.

In 2000–01, there were 8,500 incidents of stop and search under the Terrorism Act 2000. The following year, there were 21,500, and last year there were nearly 29,500. The Home Secretary may say that that is partly as a result of the increased terrorist threat. He may be partly right, but of course Lord Carlile said something different.

What security threat was there from the hundreds of people stopped under the Terrorism Act in Brighton during the Labour party conference? What terrorist threat was there from an 82-year-old war hero who dared to disagree with the Government? What danger did Miss Sally Cameron pose when she simply walked along a cycle path beside a port in Dundee? Did Miss Cameron's usual evening stroll really require two police cars to come screaming up, as she put it in the *Daily Mail*,

"like a scene from 'Starsky and Hutch'"?

Rob Marris: She was called Cameron.

David Davis: Yes, Cameron; I think they are relatives.—*[Interruption.]* I cannot believe that the Home Secretary is seeking to interfere in the leadership contest by that route, anyway.

Is it right that Miss Cameron should be held for several hours at a police station for the grave offence of walking on a cycle path?

Such examples highlight why we must look at new proposals with scepticism until the case is proven. Let us apply that test particularly to those that are the most controversial. The proposed new crime of glorification, which I have been asked about, is one. Today's proposal is better than that originally anticipated when the Prime Minister announced the clause back in August. As the Home Secretary said, he wrote to the Liberal Democrat spokesman and me. I objected to various aspects of it, as did others, and he has changed it. The revised version has brought together the incitement and glorification clauses of the existing Bill, but the term "glorification" still remains too broad, and I am not convinced that it is necessary or desirable. As I said to my hon. Friend the Member for Northampton, South (Mr. Binley), we clearly have to address a definition of foreign terrorism if we are going to pursue this.

The proposed law does not require that an individual intends to encourage terrorism in order to commit a crime. It rests on the requirement that someone's comments could "reasonably be expected" to incite terrorism. That is a test of negligence, not criminality. Of course, it also fails the Cherie test. The Prime Minister's wife famously talked sympathetically about the motives of suicide bombers, as the hon. and learned Member for Medway (Mr. Marshall-Andrews) reminded us. Unless the Prime Minister is seriously suggesting that his wife should be locked up, the clause needs to be thought through again. If it cannot be improved in that and the other aspects that have been mentioned today, it must be removed.

Jeremy Corbyn: Many organisations are already proscribed—including the National Council of Resistance of Iran, which was proscribed some years ago—and, therefore, supporting them would be a criminal act. Will the right hon. Gentleman propose any amendments to remove the proscription list?

David Davis: No, I will not propose such amendments. That decision has to be made by the Executive. However, in the light of the debate today, we will consider what acts as a benefit to an organisation, because some good points have been made about that important issue.

Mr. Hogg: Will my right hon. Friend remind the House that this part of the Bill is said to reflect the intention of the Council of Europe convention on the prevention of terrorism, but that article 5 requires an element of intent to incite the commission of a terrorist offence?

David Davis: My right hon. and learned Friend makes his point brilliantly, as always, and it is the question of intent that is key. We cannot have a serious criminal offence that can be committed by negligence rather than intent. When we discussed the matter with a variety of officials, it was suggested that it was difficult to prove intent. Given what we have seen, even since 7 July, I do not think that a British jury would find it difficult to arrive at a decision on intent.

The great sticking point in the Bill remains the plan to increase the amount of time that a terrorist suspect can be detained without charge from 14 to 90 days. I shall spend most of my speech on that issue, because it is so

important. In short, this is a proposal, as the civil rights group Liberty points out, to imprison someone for the equivalent of a six-month sentence. But under this provision, they will have never faced a charge, let alone a trial. And if they never do, they will be released after three months inside for no reason at all. If they did not have a reason to hate Britain when they went in, they may well have one once they come out.

A change of such magnitude—with such risks to our system of justice and even to the effectiveness of legislation—would require a really compelling argument, and that is what the Prime Minister says he has heard. I have to tell the Home Secretary that I have spoken to the police and the security services and, at his behest, I have received a Privy Council briefing, and I have heard no such compelling argument from any quarter. Indeed, I have yet to hear a convincing argument for this particular measure. I have heard good arguments, but they can all be dealt with by other means.

For example, one argument says that it takes time to crack encryption codes to access evidence on computers. That argument is dealt with by invoking the powers in the Regulation of Investigatory Powers Act 2000, which made withholding such codes a criminal offence. Therefore, it would be possible to charge the alleged terrorist with that offence and hold them on that basis. We happily support increasing the penalty for that offence, as clause 15 provides.

Another argument is that our criminal law does not allow the police to interview people once they have been charged, which may be an argument for not charging them in some cases. That argument is answered by changing that rule in terrorist cases, which would be a much smaller infringement of our traditions of liberty and justice by comparison with the proposed 90-day extension, but it would achieve the same aim. The Prime Minister has said that he wants to give the police the powers that they need. But he should not simply give the police the powers they demand.

One Home Office Minister went further. She said:

"The three month period is what the police and security service say is necessary".

But we now know that that is not the case. As a security service source told *The Mail on Sunday* at the weekend:

"MI5 does not get involved in drawing up policy".

Rightly so. That is the role of the Government and they must fulfil it by making an objective assessment of the facts and acting accordingly. Even the Home Secretary admitted to the Home Affairs Committee—and repeated today—that

"three months is not a God-given amount".

That statement on its own blows a hole in the Government's argument.

I remind the House that the proposed increase to 90 days comes less than two years after the time limit was increased to 14 days under the Prevention of Terrorism Act. There is a genuine and fundamental objection to any further extension, but it does not just come from this side of the House.

Mr. Mullin: As the right hon. Gentleman says, when the police were last asked, they said that they wanted the period raised from seven to 14 days. Has he noticed that the reasons given at the time—to be found in the *Official Report* for 20 May 2003 at columns 942–3—are similar to the reasons advanced for the increase from 14 to 90 days? For example, there is a whole paragraph on the difficulties of extracting material from computers.

David Davis: That is a good point. One issue that needs to be resolved is that of resources. We have heard about problems with resources for interpretation and reading computer disks. It may well be a resource problem as much as anything else. If so, we would support any argument the Home Secretary makes to obtain more resources to deal with the problem.

Mr. David Burrowes (Enfield, Southgate) (Con): Would it not be more appropriate to deal with police concerns about the time taken to gather evidence by relaxing the position on the admissibility of intercept evidence, rather than taking the draconian step of removing people's liberty?

David Davis: That is one of many measures that would make the 90-day proposal unnecessary, and I shall return to that point shortly. As the Liberal Democrat spokesman pointed out in an intervention, we also have the crime of acts preparatory to terrorism, which will make charging much easier on lower levels of evidence, and various other measures would make this proposal unnecessary.

Mr. Khan: Will the right hon. Gentleman give us his view on those cases in which it would not be possible to look at all the evidence within 14 days? What are his views on giving the court the ability to grant bail on conditions similar to the provisions for control orders, which would allow the authorities to keep an eye on someone deemed a serious threat without limiting his or her freedom?

David Davis: I am not especially fond of control orders, as the hon. Gentleman knows from previous debates, but there are several methods of dealing with the problem. One is greater surveillance before arrest. Another is refusing bail, after an early charge, if the individual is a threat to the state or the citizens of this country. We must not confuse an arrest with a view to conviction with an arrest to prevent terrorist action, which is what appears to be under consideration. We must be clear that from what we have seen so far, the 90-day proposal is not necessary.

Mr. Cash: Will my right hon. Friend give way?

David Davis: I will give way to my hon. Friend.

Mr. Cash: I had complete confidence that my right hon. Friend would not run away from taking my intervention. Is it not the case that any period of more than 14 days would cause certain difficulties? I happen to have greater sympathy with the Government on the extension of time than some of my hon. Friends, but does my right hon. Friend agree that any extension would give rise to two specific problems? First, the judicial authority would have to be a senior judge, because such cases are few and far between. Secondly, if the Government were to be completely honest, they

[Mr. Cash]

would have to admit that the proposals run up against the Human Rights Act 1998—although the Home Secretary refused to admit that on 20 July, when I questioned him. I suspect that that is why he ran away today. We should add the words "not withstanding the Human Rights Act 1998" to the provision, so that we do not get into a legal quagmire.

David Davis: I agree with my hon. Friend—*[Interruption]*—except that I do not agree with him about supporting this case. There are real problems with the extension beyond 14 days, such as the oppression of the individual. My hon. Friend the Member for Beaconsfield (Mr. Grieve), the shadow Attorney-General made the point that, given the ECHR and the Human Rights Act 1998, we would have to change the PACE rules to ensure that people were not oppressed. A whole series of problems would arise from such an extension, and it would probably end up being counter-productive in terms of producing evidence in court.

Such an extension would be particularly exorbitant given that Australia, which has faced every bit as much of a terrorist challenge as we have, has just had a heated debate about increasing the time from 48 hours to 14 days. Our Government are looking for more than six times that amount, but Australia is not even considering a 90-day proposal. Given everything that I have read and heard, I can say with absolute certainty the case has not been made. It remains a fundamental sticking point between the Government and the Opposition. It is a provision that we wish to see excised from the Bill and replaced with other measures before the Bill is signed into law. As I have told the Home Secretary already, although I am happy to support the Bill on Second Reading, if those significant matters are not corrected, I will recommend that my party does not support the Bill on Third Reading.

Finally, we must turn our minds to what is not included in the Bill. As the Home Secretary will know, we have long campaigned for intercept evidence to be used in courts. The Italian Government have recently adopted its use; our Government are considering it. In fact, we know from their former spin doctor's recent book that they have been considering it since 1998. Sir Ian Blair says that he has

"long been in favour of intercept evidence being used in court",

claiming that it

"would make my job easier".

On this issue, he is right, and we will attempt to introduce an amendment to that effect in Committee.

As July's attacks demonstrated, we must all do more to stop the seeds of terrorism taking root at home, but they are often nurtured by foreign influences, so we must do far more to plug the gap in our defences created by our porous borders. A new single border police force would help with that job. It would be an effective force that could bring together the work of the seven different Government agencies that are currently responsible for the task. Once again, Sir Ian Blair has said:

"I have always thought that the idea of having a national border police force was a good idea . . . I am very supportive of this issue"

The Government are eager to give him his 90 days. Let them give him effective support instead.

There are other matters of concern. The weekend press carried leaked documents highlighting weaknesses and organisational failures in the Government's anti-terror strategy—Project Contest. All the legislation in the world is to no avail if the practical defences fail. There were also reports that the Government were considering our proposal of appointing a single Minister to deal with terrorism. Such a measure would sharpen the focus of the anti-terror strategy, and I recommend that the Government implement it immediately.

This debate is not the start of the process—nor is it the end—as I said at the outset, it is merely a part of it. The Bill is not the complete solution to the problem, although I believe that much of it will help. We must find the balance between effective laws and fundamental freedoms, between security and freedom and between defending our way of life and defending the values that define it. The terrorists have set us a challenge, but we must rise to it. They want us to give away by choice the very freedoms that they set out to destroy by force. We must not do so. It is a tough balance to strike, but we must show that we are able to do it. In that way, our generation of parliamentarians will be able to say that we did our job: we kept our country safe and we kept our fundamental freedoms safe, too.

Several hon. Members *rose—*

Madam Deputy Speaker: I remind all right hon. and hon. Members that Mr. Speaker has imposed a 10-minute limit on Back-Bench speeches.

3.3 pm

Mr. Paul Murphy (Torfaen) (Lab): It has been a fascinating hour and a half. Obviously, the thrust of the debate in Committee will be about the 90-day question, but it seems much more significant—the right hon. Member for Haltemprice and Howden (David Davis), the shadow Home Secretary, touched on this in the final part of his speech—that we in the House must always balance the first duty of any Government to protect their citizens from outrage, death and disaster and the duty to ensure that we safeguard those liberties that, over 1,000 years, the House has gathered for our people. However, we must be aware that we are in a situation that is not the same as in the past.

Some hon. Members have referred to a casual Bill, while others have said that it is a knee-jerk reaction to what happened in July, but the reality is that we live in an extremely different world, so far as terrorism is concerned. My experience, which is limited in these matters to Northern Ireland, tells me that the sort of attacks that we saw in July are unprecedented in our history. Although the July bombings came out of the blue in a particular sense, in a general sense, they did not. We had been warned by the security services for many months—indeed, years—that it was inevitable that, sooner or later, we would face the situation that we faced in July.

During the past weeks, the Committee that I chair —the Intelligence and Security Committee—has investigated the intelligence that may or may not have led people to take certain actions before July, and it will

continue to do so in the months to come. The important thing is always that balance, which was not easy over 30 years in Northern Ireland. I suspect that internment did not prove successful, but certain parts of the terrorism legislation, certainly the gathering of intelligence, was extremely successful and helped to bring Northern Ireland to where it is today.

The Intelligence and Security Committee has already taken evidence on the Bill over two hours or more from the Home Secretary and it will continue to monitor the Bill's progress through both Houses. On those clauses that deal with amendments to the Intelligence Services Act 1994 and to the Regulation of Investigatory Powers Act 2000, which relate to the issuing of warrants in the pursuit of national security, I agree strongly with Lord Carlile, whose views my right hon. Friend the Home Secretary has touched on already, that the clauses on the intelligence services are helpful in countering terrorism and that, subject to appropriate controls and limitations, they are sensible and practical changes to the law.

We will as a Committee consider in some detail the deliberations of both Houses during the weeks ahead, but I repeat the point that I made earlier, which must underpin our debates in the House on Second Reading and in Committee, that if anyone thinks that what we have seen over the past weeks and months is something that we have experienced before, they are very much mistaken, and we must adapt new legislation to new circumstances. At the same time, of course, as a number of hon. Members have said, it is not just a question of changing the legislation.

As my right hon. Friend the Home Secretary suggested and as I am sure my right hon. Friend the Minister for Policing, Security and Community Safety will indicate when she responds to the debate, we must consider the Bill in the context of a whole range of measures that exist to protect our citizens from the sort of outrages that we experienced in the summer in London. For example, we need to recruit more people to our police and our security services. We need to combat the so-called radicalisation of some of our communities. Religious leaders and Governments need to work together very closely. Police forces need special branches that can cope with the fresh challenges posed by 21st-century terrorism.

It is worthwhile, too, to put on record that the way in which the agencies and the emergency services reacted in July has been praised right across the world, as has the way in which we responded to that outrage in our capital city. All these issues must be taken in the round, as a whole. For example, on the restructuring of the police, there is no question in my mind about the fact that we need police forces that can deal with the intelligence requirements and the need to counter terrorism in the modern world. My right hon. Friend the Home Secretary has rightly decided to look at those issues.

I want to digress, but on an important point. In Wales, the situation is slightly different from the rest of England as regards the police, and an all-Wales police force, accountable to the Home Secretary but working closely with the National Assembly, would be sensible. However, long-standing, effective and successful forces, such as Gwent, should be able to continue in some form within the new structures so that accountability, efficiency and community support are retained.

None of us wants more counter-terrorism legislation and none of us wants freedom and security constantly balanced, as they must be, but all of us must acknowledge that the world has changed. To protect our freedoms we have always to protect our people.

3.10 pm

Mr. Mark Oaten (Winchester) (LD): Like other Members, I start by referring to the events that took place in London during the summer and in doing so pay two tributes. The first is to the intelligence and police forces that handled that three or four-week period with great integrity and received much public support for their management of the process.

Secondly, I pay tribute to the Home Secretary, who dealt with those difficult circumstances with great calm, not only at the time of the attack that killed so many people but also a few weeks later when the failed attacks took place in London. I also welcome the fact that, although he was busy and focused, he was courteous enough to include his opposite numbers in the discussions and to keep the Opposition parties briefed. That was an appropriate response and I am very grateful.

The Liberal Democrats have always acknowledged, even during those long hours in January when we were debating the control orders, that there is a real threat to this country from terrorism. Our cross-party differences have been not about whether there is a threat to London and other cities but about the appropriate response to that threat. We remain convinced that the issues are serious and we do not in any way underestimate the need for a proportionate response. We accept that there is a terrorist threat.

The issue has always been about the level and balance of the response to the threat. I have thought long and hard about our party's approach to the Bill. Any responsible politician wants to introduce measures that will make the country safer and it would be irresponsible not to look at measures that could make all of us safer as we walk through the streets of our cities. I was very taken with the Prime Minister's remarks, at press conference after press conference, about civil liberty and the principle of freedom that we should be able to walk freely without fear of attack. Of course we support that. However, as politicians we also need to argue for other freedoms and civil liberties and for the important principle that we do not hand the terrorists a backhanded victory by doing away with our strong principles of justice.

When the bombings took place in London, people said time and again that they did not want the bombings to change their way of life. From that, I drew the conclusion that they wanted sensible measures to make their lives safer but that were not so draconian as to change the way they lived their everyday life.

It was right that the three parties came together during the summer to try to achieve consensus. At that point, the public wanted their politicians not to disagree, but to work together and try to find a way forward. We made much progress in agreeing and signing up to three measures that are in the Bill and still have our support. However, during September, problems emerged, as the Home Secretary said, when the Government decided to go further than the three measures to which we had agreed.

[Mr. Mark Oaten]

Our party felt that a wide, sweeping new offence of glorification was unacceptable, too hard to tie down in law and would infringe freedom of speech. We also felt that the principle of holding people for three months without charge was a step too far. It was at that point that the consensus began to fall apart. I welcome the fact that the Home Secretary has thought again about the provisions on glorification. The removal of the former clause 2 is extremely welcome, but will he go one step further and address the use of glorification in clause 21? It seems to be very much used as it was in its previous incarnation—as one of the grounds for banning organisations. If there could be the same movement on the use of that word as occurred in clause 2, I should certainly welcome it. In substance, we support a large amount of the legislation. We are left with one significant objection about which I shall speak later.

I reiterate the point I made in my intervention. I understand the Home Secretary's irritation at our decision not to support the Bill this evening. I repeat that we are determined to try to get consensus back on track in Committee. We want to persuade the Home Secretary and the Government that there are alternatives to holding suspects for three months. However, he needs to understand the strength of feeling about the issue in my party and why we felt that rather than waiting to show our objections on Third Reading—if those provisions remain unchanged—we had to send the Government the strongest possible signal that, if things stay the same and the clause remains in the Bill, we could not support it. That is why we felt that it was right to make that stand tonight. However, our commitment to try to resolve the issue and our commitment as a party to support a changed and modified Bill on Third Reading remain.

Mr. Hogg: May I support the hon. Gentleman in what he has just said? If one cannot support the core measures of a Bill, one must oppose it, even though it will be considered in detail in Committee.

Mr. Oaten: I am grateful to the right hon. and learned Gentleman for that intervention. The decision was difficult because there is much in the Bill that I support and much of it has been subject to talks. At the end of the day, however, I took a judgment and my colleagues agreed—we debated it at the party conference—and we felt that we could not support a Bill that included such a provision. I would have found it extremely hard to abstain or to support something that included a provision with which I fundamentally disagreed. The honest thing to do in those circumstances is to take the position that we have taken. I regret only that it could be interpreted as our wanting to wreck the consensus. We do not want to do so. It is a principled position that we hold dear.

Chris Bryant: The hon. Gentleman said earlier that he was opposed to a sweeping glorification clause and that he accepted that the Government had made a change by removing the former clause 2. Does he accept that clause 1 includes an element of intent and is he content with that?

Mr. Oaten: In Committee, we shall want to look at the whole question of intent and when I talk about the indirect incitement provisions I want to look at how both intent and likelihood are built in, so I shall address those points when I get to that section of my speech.

I want to deal with some of the measures that we support. First, we have long argued that acts preparatory to terrorism should be a criminal offence. We argued that when the Newton committee reported and when we were dealing with derogations from the European convention on human rights. We said that such an offence was a better way of getting suspects into court than holding them without charge. The provisions on acts preparatory have a clear level of intent built into them and that principle should run through the whole Bill.

Secondly, we very much support the creation of a new offence of training for terrorism, although I want to flag up one concern. The Bill also includes an offence of attending a place used for terrorist training. It would be nonsense if, for example, journalists who attended a place of training as part of their investigative work fell foul of such an offence. We need to tidy that up in Committee.

Thirdly, and more problematically, we support the idea of creating an offence of indirect incitement to terrorism. We support it because there will be occasions when people with some influence will be able to use either written or spoken language with the clear intention of encouraging others to commit a terrorist attack. That should be an offence in this country. The problem is that the clause, and the criminality of the statement, depend on the interpretation of a third party, not the statements themselves or the intentions of a publisher. It depends very much not on what somebody says but on how other people react to what they say. We have concerns about the provision, but we broadly support it.

It would be extremely helpful if some safeguards could be included. At present, the offence is modelled on the proposal of the Council of Europe convention on the prevention of terrorism, which was signed earlier this year. Under that convention, there are two key safeguards: first, incitement must be intentional and, secondly, there must be the likelihood of a terrorist attack as a result. As we explore the matter in the next couple of weeks, it would be helpful if we could move back towards that model and build into the Bill those sensible twin safeguards that are already enshrined in the European convention on the prevention of terrorism.

As I said, those matters have our broad support, but before I address our key difficulty with the Bill, I want to touch on the definition of terrorism itself. We have debated the way in which we define terrorism and it is my general view that the current definition is too wide. The Home Secretary helpfully wrote a note to the shadow Home Secretary and me yesterday in which he outlined his arguments for why—bluntly—he thinks that that definition is probably the best one in town and we should thus probably try to stick with it. He said that the definition was very close to that drawn up by the EU in 2002, but I am worried that there is an important difference between the Home Secretary's definition and that of the EU.

Under the Home Secretary's definition, there could be circumstances in which animal rights groups and groups such as Greenpeace fall foul of terrorist legislation, as he acknowledged in one of his recent Select Committee appearances. The EU definition includes the phrase:

"extensive destruction . . . likely to endanger human life".

Tagging on that additional phrase is helpful by making an attack on property or a field a separate issue. The EU phrase would clearly add an extra layer to the definition that would give confidence to people like me who are worried that the definition of terrorism being used is too broad. I am not suggesting that it would be easy to redefine terrorism, but the small EU addition would go some way towards improving our definition of terrorism, which we would all like to see better defined.

I turn to our major concern, which the shadow Home Secretary outlined in detail: the provisions of clause 23. Why is the question of holding suspects for such a long time a key principle for this party? Article 40 of Magna Carta says:

"to no man will we deny or delay justice or right".

That has been an established principle of our criminal justice system for some 800 years. That principle of liberty has been adopted across the globe. Indeed, article 40 of Magna Carta is the forerunner of article 6 of the European convention on human rights, which says that

"everyone is entitled to a fair and public hearing within a reasonable time".

To put it simply, as long as we have had justice in this country, that principle has been at the heart of it.

Mr. Khan: Is the hon. Gentleman saying that 14 days is the limit, and that any period of detention without charge that was greater than 14 days—forget 90 days—would be unacceptable to him and his colleagues?

Mr. Oaten: I am grateful to the hon. Gentleman for giving me the opportunity to give him a direct answer. We do not believe that there is a case for moving beyond 14 days. When we discuss how we move forward on the matter, we should not have some kind of auction for 90, 60 or 28 days. We wish to persuade the Government that there are alternative approaches that suggest that we do not need to go beyond 14 days.

We have been cautious about the number of days for which a person may be held for decades. The police have the automatic power to hold individuals for 48 hours, with a possible time extension of up to four days for serious cases such as murder. A complex murder case is allowed a time extension from 48 hours to just four days. Of course, provisions passed in 2003 extended the time limit for terrorism cases from seven to 14 days. We have rightly trodden carefully when changing the time limits. The history of the changes shows that we have been cautious, which is why it is remarkable that it is suggested that we could suddenly smash that approach apart under the Bill and move to a 90-day period.

Mr. Peter Robinson (Belfast, East) (DUP): I am struggling with the question of 90 days myself, but several hon. Members' criticism of the Home Secretary has been unnecessarily harsh. I think that he has made a compelling case that more time is needed, especially when we consider the collection of video tape evidence. What alternative is the hon. Gentleman offering us to deal with the situation?

Mr. Oaten: I am just coming to that part of my speech. Let me acknowledge that I think that the police have made a case. I shall go through the police's arguments one by one and outline how we could find an alternative measure.

The police's arguments were neatly set out by Andy Hayman, the deputy commissioner, in a letter to the Home Secretary that he made public. In essence, it listed eight compelling reasons why we should move towards a time period of 90 days. Some of the problems could be easily overcome, while several points have merit.

One argument was that suspects needed to be allowed time for religious observance. It is frankly ridiculous to suggest that a person praying five times a day will hold up an inquiry to a great extent. Two of the five prayers take place before sleeping and after waking, when no questioning would take place anyway. This country's questioning system already allows a suspect a 15-minute break every two hours, plus an additional 45-minute break. Surely there is adequate time in the current system to allow for such observance.

The police's second argument related to interpreters. I understand the Home Secretary's point that it might be difficult to track down interpreters for such cases, but surely there are other ways to solve the problem, such as training and finding new interpreters and using interpreters who are already involved in the immigration process. Is the problem with interpreters so real that we should be prepared to break such a strong principle? Surely the answer is no.

A further argument in the police's list of eight was that there could be problems with clarifying a person's identity, but, believe it or not, one does not need a person's correct name before charging them. Indeed, it is an offence for people to withhold their names anyway, so that issue can be overcome.

Mr. Cash: Will the hon. Gentleman give way?

Mr. Oaten: No, I want to move on. Actually, that is very unfair—I give way to the hon. Gentleman.

Mr. Cash: Does the hon. Gentleman accept that we are dealing not with ordinary questions of criminal jurisdiction, but terrorist activities that verge on being threats of war and could lead to public emergency, which is why the question of derogation arises? Does he also realise that there is a whole stack of case law on the matter, including the Lawless case in Eire in 1961, when an even longer time period than that contemplated was upheld?

Mr. Oaten: I now wish that I had adopted the Home Secretary's approach on taking interventions from the hon. Gentleman, but I might be able to cover that point.

I now turn to the four matters on which I have made it clear that the police have a genuine case. The police are justified in saying that it would be difficult to deal with forensic evidence, encryption, mobile phone records and the international data trail in a 14-day period. However, we think that there are other ways in which those difficulties could be overcome.

[Mr. Oaten]

The Bill creates the kind of offences that could be used as a tool to charge individuals within a 14-day period. I was grateful for the Home Secretary's acknowledgment today and during his appearance before the Home Affairs Committee that he wants to consider that matter. I acknowledge that there are two problems with moving towards that position. First, such lower charges could have bail attached. Secondly, it is currently difficult to interview someone after they have been charged. However, both those problems can be overcome. As the shadow Home Secretary said, there must be a way in which we can deal with those difficulties by, for example, changing guidelines under the Police and Criminal Evidence Act 1984 to see whether or not lower offences should have bail attached. Making such changes, as the right hon. Gentleman said, is a lesser change than those that have been proposed. I believe that the Attorney-General is looking at these issues and, if we can speed up that review, it will be tremendously helpful in finding a way forward. If the Home Secretary suggested that changes were made to allow individuals to be charged with lower offences it could be argued that some individuals would not fall into that category, as they could not be charged with a lower offence. I find that argument questionable. If the police decide to arrest someone, they must have grounds and evidence for doing so. I find it hard to believe that there are circumstances in which such evidence could not be used to charge someone with an offence.

Mr. Llwyd: May I commend to the hon. Gentleman the use of section 47(3) of the Police and Criminal Evidence Act 1984, which, coupled with stringent conditions such as tagging, curfew and reporting requirements, is a way of meeting his concerns?

Mr. Oaten: I do not believe that that would be necessary, and I am outlining circumstances in which it could be avoided. However, there may be narrow circumstances where that proposal is relevant.

There will be few occasions on which individuals cannot be charged with a lower offence. If the police had arrested someone but could not employ the evidence that they had used for arrest to charge them with an offence, a change in the Government's policy on intercept communication would be key. I accept that there is a narrow category where information from intercepts could not be used to create lower-order offences, which is why the Government should move to allow intercepts to be admissible. That would allow us to deal with the problem.

Emily Thornberry: The hon. Gentleman is floundering, so perhaps I may be of assistance. The police can arrest someone if they have reasonable grounds to believe that they have committed an offence. That does not have to be based on admissible evidence. If someone was held for two months at Paddington Green police station and, in his 15th interview, named a particular individual, the police could arrest that individual because they had reasonable grounds to suspect that he had committed an offence. However, that would not be evidence admissible in court. I hope that that makes it clear.

Mr. Oaten: I think that I am grateful for that intervention, but I am not sure that it makes the position clear. I have argued that alternative offences could be used and that, with the use of intercepts, other individuals could fall into that category

Mr. Hogg: Should not the hon. Gentleman stress the fact that the essential vice is allowing the police to question people who have been in custody for weeks if not two months or more? Such confessions are inherently unsound.

Mr. Oaten: The right hon. and learned Gentleman makes a valid point, but I am arguing that someone could be charged with a lower offence or one of the new offences that we are creating. If such a charge is brought within 14 days, I support the police having the opportunity to continue questioning that individual. I do not completely agree with him, because doing so would be intellectually wrong. We are arguing that, having brought that initial charge, the police can continue to charge and work to achieve a higher offence at a later date.

Mr. Grieve: If that is the case, does the hon. Gentleman agree that we will need a completely separate PACE code that provides much more limited time for questioning in any 24-hour period?

Mr. Oaten: I could not agree more. Checks and balances are required if we move to the model that I have outlined, and PACE guidelines that acknowledge that changing process are obviously required.

Several hon. Members *rose—*

Mr. Oaten: I will not accept any more interventions, because I wish to conclude.

I wish to suggest another way forward to the Home Secretary. Even if the alternatives do not fit the profile of the individual whom the police want to hold and arrest, the right hon. Gentleman has the power of control orders, which we debated at length at the beginning of the year. While I find the way in which control orders are put in place problematic, I accept that there will be rare occasions when it is difficult to charge someone, and control orders are then a useful tool. If all the alternatives are tried, but none of the lower offences works, the use of control orders would be a better way to tackle the problem than holding individuals without charge for a long period. Those control orders, however, would be different, as the clear intention is to move towards a point where a charge could be brought. They would not be open-ended orders without any prospect of charge.

In conclusion, it is clear that there is potential to find a way forward on differences that have emerged over the 90-day issue. I accept that the police have a compelling case in four instances, but I do not accept that that case should lead us to break many of this country's long-held principles. I hope that in Committee and on Report we

can work with the Home Secretary and the shadow Home Secretary to find a sensible alternative. That is our commitment, but if the Government continue to pursue the prospect of holding individuals in this country without charge for three months we cannot, and will not, support those measures.

3.34 pm

Tony Lloyd (Manchester, Central) (Lab): The Home Secretary is right to remind us of the grave threats that our society faces from terrorism. Every Member of the House would be at one with him on that. However, the House has a duty to find a balance between measures that are necessary in an era of new technical challenges and new types of terrorism, and safeguards for the traditional values of our society and the legitimate rights of those who stand accused of certain offences.

I was interested by various sub-debates that have taken place this afternoon. I distinctly remember, as some of our Northern Ireland colleagues may also recall, that one of the almost certain effects of the introduction of internment and detention without trial in Northern Ireland was to radicalise, and not in an acceptable way, a generation of those on the then republican side of the political divide. I speak from near-personal experience. It was a profound mistake by the Labour Government of the day, who introduced those measures.

I say that not because the debate today is about the introduction of the same principles of detention or internment, but because we must measure the impact of the Bill not only in terms of the legitimate enhancement of the security of society, and not even in terms of its impact on those who come within its power, but in terms of its wider social impact if it is deemed not to be appropriate or proportionate to the challenge that we face. That is the problem that I see with at least two aspects of the Bill.

The first relates to the better rehearsed arguments about the 90-day period of detention. Like many hon. Members, I feel extremely uncomfortable that the case has not been properly made that that length of time is necessary. Perhaps my hon. Friend the Member for Sunderland, South (Mr. Mullin) is being over-cynical when he says that the measure is a police bargaining chip, but we need a much more robust defence of their need for anything like that increase in the period of detention or for any increase at all, before the House accepts that they should be the arbiters as we, the House of Commons, seek to erode the freedom of our fellow citizens. That case has not been made today.

As my hon. Friend observed, under existing legislation only two people have been held for 13 days, not the full 14 days. Both were charged at the end of that period. Although it is not possible to argue by extension that the period must be absolute and precise, that is at least an indication that so far the police have not found the present arrangements inappropriate for the type of activities with which they have had to deal. Things can change, but the case must still be better made.

Mr. Khan: In support of that argument, does my hon. Friend agree that there have been 10 occasions when somebody has been detained for more than seven days but less than 14 days and released without charge, and in none of those 10 cases was the individual re-arrested at a later date when the police or the authorities had deciphered any encrypted computer data or any other data that had come to their attention? That supports the argument that there is no evidence for extending from 14 days to 90 days the period in custody without charge.

Tony Lloyd: My hon. Friend helps me in the case that I am presenting. We need an intelligent debate and we need to consider whether the present structures are appropriate. The case has not been made for the legitimacy of the leap from 14 to 90-day detention for the police to interrogate suspects and obtain evidence. Therefore, I, like many hon. Members, share the concerns, and I hope that we will see a robust debate in Committee and during further proceedings on the Bill as we examine where the proper balance and test should come.

The question of glorification troubles me every bit as much as the 90-day period. It is easy to dismiss this by asking, "Are we not all against those who advocate the killing and maiming of others?" But I want to remind the House that, as my right hon. Friend the Member for Southampton, Itchen (Mr. Denham) said earlier, many of us have lived through periods in our political lives when we have not simply sought to explain but actively advocated the concept of armed force as a legitimate defence. I met someone in Guatemala many years ago who told me how, under the military Government at the time, he saw his father taken off a bus and told to hold his hands out, whereupon they were systematically macheted off, salami style, by members of the armed forces. That was a particularly brutal crime, and at the time it was a particularly brutal way of persuading me that it was legitimate to defend the ordinary peasants of Guatemala by recourse to the force of arms. I cannot run away from that view these years later simply because that country is now, happily, at peace. My hon. Friend the Member for Wolverhampton, South-West (Rob Marris) referred to the situation in Burma today, which, ironically and tragically, is parallel to that in Guatemala.

Mr. Mark Hendrick (Preston) (Lab/Co-op) *rose—*

Tony Lloyd: I want to develop that theme further but I give way to my hon. Friend.

Mr. Hendrick: Is my hon. Friend saying that basically violence is okay, it just depends which side one is on?

Tony Lloyd: Yes, I am saying that, and my hon. Friend has to face that directly. All but the pacifists in our society have always accepted that sometimes, very sadly, although we can use phrases such as "as a last resort", faced with families being slaughtered in Burma, when the Burmese army are moving into the villages of the Karen people, when they are raping women and children and brutally murdering the whole population, when they are ethnically cleansing, it is not illegitimate to say that recourse to defence by force of arms is the only course available. We are pious and nonsensical if we pretend otherwise.

Mr. Marshall-Andrews: I agree entirely with the point that my hon. Friend makes, but does he agree that this Bill is even worse because one need not agree with the violence—all one has to do to bring oneself under the Bill's provisions is to express sympathy or understanding with those carrying it out?

Tony Lloyd: A number of my hon. Friends have already expressed such sympathy with the Karen people in Burma, so all of us stand guilty of that.

I want to draw to the Minister's attention the Home Secretary's response to our hon. Friend the Member for Wolverhampton, South-West. He asked specifically about people seeking to justify the non-human targeted attack upon, for example, the railway infrastructure. The Home Secretary's response—I hope that I do not misquote the spirit of what he said—was that because that might result in the killing of people it would fall under the definition. I would go much further in any case and say that I can think of circumstances when I would not simply sympathise, but I might even be prepared to support and advocate on behalf of those who took up arms as their only legitimate defence.

Hon. Members may say that I am making overly heavy weather of this point.—*[Interruption.]* I am glad that the hon. Member for Buckingham (John Bercow) does not. But it is important to establish this, not simply to say that there are some circumstances—I say this in response to my hon. Friend the Member for Preston (Mr. Hendrick)—where we would all justify the potential use of arms, but because it is incredibly difficult to move from those situations where we can to those situations where we do not do so.

I can think of many circumstances in our society in which people can advocate something horrendous, such as the murder of another individual, but that is caught by the offence of incitement to murder. I think it would be caught even if the murder were to take place overseas, because it is possible to prosecute British citizens for murder that takes place abroad. So there is an argument that our present laws on incitement already cover the terms that are easiest to define.

Then we approach the middle ground, which is the most difficult area. Here I may even agree with those who deplore the words of those who advocate violence in different parts of the world on behalf of causes in which I do not believe. The problem is, though, that I am not sure how the public interest is served in moving towards prosecution. We may say that we deplore the words of the most crazed exponents of violence, but what do we achieve as a society if we stop treating those individuals as objects of scorn and social condemnation and instead put them in prison cells, thereby making them martyrs? Experience from many different situations around the world shows that the way to radicalise young people or the population generally is by creating a sense of injustice through the arbitrary, or seemingly arbitrary, imposition of such imprisonment on those whose offence may be an inappropriate use of words.

John Bercow (Buckingham) (Con): Pursuant to the intervention by the hon. Member for Wolverhampton, South-West (Rob Marris), when I visited Burma last year I met children who had seen their parents murdered in front of them, and parents who had seen their children murdered in front of them, by the Burmese army, the Tatmadaw. Does the hon. Gentleman think that if I were publicly to express support for any initiative or campaign by the Karen National Liberation Army violently to overthrow the State Peace and Development Council, I would be caught by the terms of the Bill? If so, the Bill must be redrafted, because it is wrong.

Tony Lloyd: I think that the hon. Gentleman's fears are correct. It is very difficult to get this legislation right, but we must do so, because if we fail we risk doing far more damage by imposing this law than we do in terms of enhancing the security of our own population or advancing the fight against terrorism more generally.

I had a brief exchange with the Home Secretary about the Bill's compatibility with the European convention on human rights. I am less certain than he is that the 90 days' detention is consistent with the convention, paragraph 3 of article 5 of which says that detainees

"shall be entitled to trial within a reasonable time or to release pending trial."

The 90-day period could well be tested, not only in our own courts but in the court at Strasbourg. We need a more robust response as to whether the Bill is compatible.

I can tell my right hon. Friend the Minister for Policing, Security and Community Safety that I will be voting with the Government tonight because the Bill must be properly examined in Committee.

3.48 pm

Mr. Douglas Hogg (Sleaford and North Hykeham) (Con): I will return to some of the points made by the hon. Member for Manchester, Central (Tony Lloyd), because I agree with much that he said.

This is a Bill that the House would do well to scrutinise with considerable rigour: first, because it was born out of crime and tragedy—the recent events in July—and Bills that are enacted so soon after such events are frequently seriously flawed; and, secondly, because it follows a raft of legislation that we have passed since 2000, in the shape of three substantial Acts. If these matters are so important, it is difficult to see why they were not included in that legislation.

I am willing to concede that there are parts of the Bill that most Members would support, myself included—particularly clauses 5 and 6, which deal with ancillary acts, and those clauses that deal with radioactive material. However, they are not the core of the Bill. One has to go to the core to determine whether to support the measure. When I go to its core, I find myself unable to vote for it. Indeed, I shall vote against it.

Let me begin with clause 23, which enables a person who is not charged with an offence to be held in custody for up to 90 days. That is deeply offensive and, while it remains in the Bill, the measure should be opposed. There are several reasons why the provision is deeply offensive and I shall enumerate them briefly. First, it amounts to administrative detention, which we deplored when it was done in South Africa under the apartheid regime. We deeply criticise the state of Israel when it does that today. Secondly, it contravenes a basic

rule of English law that a person should not be held in custody for extended periods unless convicted of or charged with a serious offence.

There are two further points of a more technical nature. First, it is inevitable that the provision will bear most harshly on the ethnic and religious minorities in this country. They will say, with some force, that they are being treated in a discriminatory manner. That will increase the sense of alienation that one often finds in those communities. Secondly, I raise a point that I have previously put to the Home Secretary and to the hon. Member for Winchester (Mr. Oaten). What weight can one properly place on confessions when they are made after an extended period in custody? To put the same point in reverse: what weight can one place on accusations by detained persons of third parties when they have been detained for extended periods? The 90-day provision opens up the prospect of serious injustice.

Let me deal briefly—I know that others wish to speak—with clauses 1 and 2. First, the common law offences of conspiracy and incitement already cover much of the ground in the provisions. Secondly, the right of free speech should be safeguarded and fought for, even if it involves hearing things that one might find deeply offensive. For example, when Gerry Adams speaks of the "glorious volunteers" of the IRA, I am deeply offended. After all, the IRA murdered thousands of our fellow citizens, including four Members of this House, who were friends and colleagues of many of us who are still in this place. We are deeply offended when Gerry Adams speaks in those terms. However, I do not wish his words to be criminalised. When the BBC was banned from broadcasting such words, Labour party spokesmen rightly denounced the Government.

It is better by far that bad men reveal themselves by their words and deeds so that they can be judged than that they suppress their true intentions and gain a reputation that they do not deserve.

Mr. Denham: Does the right hon. and learned Gentleman agree that one of the lessons of that period of history was that members of the public who supported those views were better drawn into the political process as voters who sought representation in a democracy than they were as active supporters of terrorism?

Mr. Hogg: That is entirely right.

Let me deal with the detail of clause 1. I hope that I shall be forgiven if I paraphrase because its language is complicated. It provides that an offence is committed by a person if that person publishes a statement, knowing or believing that those who hear or read it are likely to treat it as an encouragement to commit an act of terrorism The Bill defines the sort of statement that falls into that category as including every statement that glorifies terrorism, whether in the past, the future or generally, and that might encourage others to emulate such conduct. The Bill does not provide for intent. The provision is far removed from an offence of incitement with intent.

Historians or those who write about the past will inevitably be caught by the legislation. Let us consider those who have written about the 19th century struggle of the Fenians against British occupation in Ireland, or the African scholars who write about the Mau Mau revolt against the British empire in Kenya, or the Greek Cypriots who praised EOKA in its struggle against the British Government.

Mr. Grieve: My right hon. and learned Friend will also be aware that the Taoiseach of Ireland has announced that the Irish Government are to hold a military parade in Dublin to celebrate the Easter rising. Might that make the Taoiseach liable to arrest if he came to this country?

Mr. Hogg: Indeed, and he would be protected only by the rather doubtful intervention of the Government's in-house lawyer, namely the Attorney-General. And I would not commend that to him as a very safe bet.

These are but examples among scores of cases that could be cited. All those struggles involved terrorism, and they were all successful. Most of the people who write about them glorify them, and it is quite likely that the people who read the articles and the history will be inspired to emulate them because they were successful.

What about present and future struggles that involve the use of force? As the hon. Member for Manchester, Central asked earlier, what are people to do in states that have no democracy and where tyranny and oppression prevail? Are we to say that acts of violence are in no circumstances to be countenanced? Such acts of violence will often include actions that are undoubtedly acts of terrorism within the definition in the Terrorism Act 2000. Do we really want people to be made criminals if they urge an armed insurrection against the military regime in Burma? Are we really prepared to say that people who say that Mugabe's regime should be displaced by force are committing a criminal offence? Is that really what we are bringing this society to?

Let us consider the occupied territories. The Liberal Democrats will know that one of their number, now Baroness Tonge, expressed sympathy for the suicide bombers there. I believe that the Prime Minister's wife has done the same thing. They were but a step or two away from falling within the scope of clause 1. Do we really want to say that such people are criminals who are to be brought before the law and sent to prison? I find that an extraordinary proposition.

It is true that there are safeguards in the Bill. We are told that the consent of the Director of Public Prosecutions—or, in the case of an overseas terrorist, that of the Attorney-General—will be required for a prosecution.

John Bercow: That is not reassuring.

Mr. Hogg: No, it is not. After all, the Attorney-General, good as he may be, is nothing more than the in-house lawyer of the Government—and let us not forget that that in-house lawyer provided the advice on which the Iraqi war was justified, contrary to the opinion of many of us who sit in this place.

John Bercow: Will my right hon. and learned Friend give way?

Mr. Hogg: I hope that my hon. Friend will forgive me, but I have already given way twice.

[Mr. Hogg]

Let us not forget that, while the Attorney-General and the Director of Public Prosecutions will regulate the institution of proceedings, they will not make lawful what is expressed in the legislation to be unlawful. They merely regulate the institution of proceedings. Consequently, free speech will be interfered with by the fear of illegality.

Finally, we are told by the Home Secretary that the Bill is necessary partly to meet our commitment to the European convention on the prevention of terrorism, as established by the Council of Europe. That is plain wrong. What the convention in fact urges us to do—I shall use its rather bizarre language—is to create an offence of criminalising the

"distribution . . . of a message to the public, with the intent to incite the commission of a terrorist offence".

Intent to incite lies at the heart of the convention.

Clause 1 of the Bill provides no element of intent. It is another example of gold-plating, and goes far beyond what is required under the convention, and far beyond what is acceptable in a democracy. So long as it remains in the Bill, the Bill should be rejected.

4 pm

Mr. John Denham (Southampton, Itchen) (Lab): It is a pleasure to follow the right hon. and learned Member for Sleaford and North Hykeham (Mr. Hogg), with whom I find myself agreeing far more than is good for my sense of comfort.

May I start by praising the Home Secretary for his general approach to the legislation and willingness to make himself available to Members, and particularly for the many hours that he spent in front of Select Committees, including the Home Affairs Committee? His approach to the issue gives me some confidence that useful legislation will be produced at the end of the process. I will certainly vote for the Bill tonight, although certain aspects of it need a rethink.

It is important to get the Bill in perspective. The major changes needed to terrorist legislation have been made in previous Acts. Despite the dramatic claims that the rules have changed, this Bill is rather marginal to the issue of our security. The real battle against terrorism is not in the battle over legislation in the House but in the community and the country outside. It is in our policing, our intelligence, the development of community support, and crucially, in winning the hearts and minds of people at home and abroad.

This is a long-term fight. Once terrorism is established, it takes years to get rid of. In my view, we will be extremely lucky if we are not facing attacks such as those that we have seen in London for the next 30 years. These are not, therefore, short-term, emergency measures. To all intents and purposes, they are permanent. The fight against terrorism does not lend itself to short-term initiatives. The public need to be reassured that things are being done, but they want to be safer.

In parts of the Bill, the Government are betraying a serious misunderstanding of what is at stake. This is not a battle over what people are allowed to say; it is a question of how we win arguments. The key battle is for hearts and minds. We must persuade young British people from the Muslim community who feel angry about what is happening in the world, in Palestine, Kashmir and Chechnya, and who feel that in the west their Muslim lives are less valuable than others' and their rights less valued than others', that engagement in politics, democracy, public life and argument is the way to achieve change, not terrorism.

Against us are the extremists arguing the opposite—that there is no way forward for them in western democracy; that it is a sham, an illusion and a dead end; and that terrorist violence is not only justified but the only way. We must be careful not to feed that argument. As the Bill stands, however, it is more helpful to the propaganda of the extremists than it is in winning hearts and minds.

The Bill is drawn too widely. Let us draw briefly on the Northern Ireland experience. We banned the IRA but we tolerated Sinn Fein, not, in my view, because we thought that they were entirely separate organisations, but because we believed that it was better to draw the supporters of militant republicanism into a political process of democracy than to leave them supporting purely violent action. Today, there are organisations in the world such as Hamas. I hold no brief for it, and we have proscribed it as a terrorist organisation. Many people in our society, however, who totally condemn the London bombings, would see Hamas in a different light, as a product of the situation in Palestine—something understandable, and for a significant number of them, justifiable; not just a terrorist organisation but one that takes part in and wins elections.

Mrs. Ellman: Would my right hon. Friend like to disassociate himself from the views of Hamas, and does he accept that Hamas's solution to the Israeli-Palestinian conflict is no Israel at all?

Mr. Denham: I certainly do not accept Hamas's strategy of terrorism, or its vision of the destruction of Israel. However, we make a mistake if we believe that organisations such as Hamas are indistinguishable from organisations such as al-Qaeda. One of the problems with the Bill is that it condemns such organisations and support for them in precisely the same terms as those in which it condemns support for the London bombings or 11 September. It allows for no distinction. It bans Hizb ut-Tahrir. It is designed to do that, as we know from the Prime Minister. The language of that organisation is undoubtedly extreme, and its aim of establishing a Muslim theocracy is equally extreme—and is extreme in the eyes of most Muslims to whom I have ever spoken. I have not, however, seen evidence that it is actively involved in the promotion of terrorism.

Clause 17 includes international action. There is a set of Chechens—not the murderers of Beslan, but others—whom the Russians regard as terrorists, but to whom this country has traditionally given asylum. Once the Act is operational, the Government will be under pressure to use it against them.

Far from sharpening our attack on al-Qaeda and the extreme of international terrorism—a terrorism that allows no possibility of compromise or engagement—the Bill blurs the differences. It allows the extremists, in

arguments that will take place in communities, in gyms and possibly in mosques—but probably not in mosques at all—to argue that democracy is a dead end. They will say that it is not even possible to support people whom they regard as their brothers, and who are fighting occupation and winning elections, without being silenced. They will say that it is not possible to advocate a Muslim state without being silenced, and that it is not possible to be part of a resistance movement anywhere in the world without being silenced. They will say that the terrorist route is the only way. That is the argument that will be advanced in streets and communities up and down the country, and what we must ask ourselves is whether the phrasing of clause 1 will help us to win the argument for democracy and engagement.

Mr. John Gummer (Suffolk, Coastal) (Con): Does the right hon. Gentleman agree that one way of testing the rightness of such a clause is to apply it not to the immediate political concern, but to other organisations and other situations at other times when there is not the same emotional impact? It is pretty terrifying to think that it could be applied to enthusiastic supporters of freedom in countries where freedom is denied. We should therefore be extremely careful about accepting the clause, which is my reason for voting against it.

Mr. Denham: I referred earlier to the support that I gave, openly and publicly, to the Sandinistas in Nicaragua in the early 1980s. Flawed though they were, that Government were a great deal better than the dictatorship that was overthrown by violence—violence that the Bill defines as terrorism.

My position explicitly acknowledges that the world is a messy and complicated place. Political violence arises in many circumstances, and we must understand each of them and respond accordingly. We used as a country to understand that to our fingertips. In many ways, the history of decolonisation is the history of fighters being turned into statesmen and the supporters of fighters being turned into members of political parties. As we know, it did not always work, but we knew that it had to be done. We had to win the arguments of engagement, of alternative ways of doing things.

It is much simpler to say, "We do not want to understand all the different situations. All we need to do is say that this is wrong." That is what the Bill seeks to do, but I have to say that such simplicity will not work. If the Bill had the limited objective of stopping indirect incitement—direct incitement is already covered—of people living in this country to take part in terrorist actions, here or abroad, that involve the deliberate targeting and indiscriminate killing of innocent civilians, I would have no problem with it. I would have no problem with a Bill that drew the line where it needs to be drawn: between what the Home Secretary described today as indiscriminate terrorism, or what could be described as nihilism, and the much wider and more complicated set of political movements that sometimes use violence in various circumstances. But it does not do that, and I am worried that it betrays a profound misunderstanding of the problem.

I am hugely grateful to my right hon. Friend the Home Secretary for acknowledging in this debate, and beforehand in discussions, that we need to look at alternative definitions of terrorism, and we will doubtless return to this issue at greater length next week in Committee. However, I do not share the view, which he circulated to the Opposition spokesmen and to me in my role as Chairman of the Home Affairs Committee, that the other definitions on offer are no better than that in our legislation. First, there are significant differences between them. For example, there is a significant difference between the Council of the European Union framework decision, which uses phrases such as "seriously intimidating a population" and

"seriously ... destroying the fundamental political, constitutional, economic or social structures of a country",

and our own legislation, which talks about

"serious violence against a person"

and "serious damage to property". The threshold is much higher.

I am no international lawyer—in fact, I am not a lawyer of any sort, for which I regularly give thanks—but perhaps equally significant is UN Security Council resolution 1566, which clearly locates terrorism primarily in terms of action against civilians. It also refers to criminal acts in a way that, I suspect, excludes genuine liberation movements and genuine violence against oppression. We could also use wording such as the following:

"any action ... that is intended to cause death or serious bodily harm to civilians or non-combatants, when the purpose of such act, by its nature or context, is to intimidate a population, or to compel a Government or an international organisation to do or to abstain from doing any act."

That passage comes not from any international agreement but from the report of the high-level working group that was prepared for the UN summit on its 60th anniversary last month.

Although such a definition would certainly catch the indiscriminate terrorist attacks on civilians of organisations such as Hamas, it would none the less draw the line in the right place. It would send a political message about exactly what it is that we are trying to tackle. It is a line that any reasonable person—including those in the Muslim community on whom we are relying to win the argument—cannot possibly be against, whatever they might think about the situation in Chechnya, the middle east or Kashmir. Killing civilians indiscriminately for political purposes is wrong, and that is where we need to set the argument. I hope that we can return to this issue in some detail next week, and build on what the Home Secretary has said today in order to deliver an improvement to this part of the Bill.

I agree with what Members in all parts of the House have said about intent, and I hope that we can deal with that issue. I shall largely leave aside the 90-day issue, given the limited time available, but with the right combination of procedural safeguards and a perhaps more realistic assessment of the time that the police genuinely need, we should be able to reach agreement on this issue. I look to next week's debates to provide such agreement.

4.13 pm

Mr. Richard Shepherd (Aldridge-Brownhills) (Con): I agree in great measure with the right hon. Member for Southampton, Itchen (Mr. Denham). His words encapsulated a particular concern of mine. He said that

[Mr. Richard Shepherd]

he thought that this proposed legislation is essentially marginal in the fight against terrorism, and the House should pause to consider that point. My right hon. and learned Friend the Member for Sleaford and North Hykeham (Mr. Hogg) pointed out the extent to which we have legislated in recent years to meet what is clearly an exigency and a massive concern to those whom we represent: the eruption of legislation that fails to deal with the dangers—if we take the Home Secretary's view on this issue—that we face. When examined, the question of necessity arises. What is so necessary about this legislation? It is difficult to put one's finger on the essential element that underpins the conclusion that it is necessary to place restrictions on our freedom of speech.

We must bear in mind the various offences of incitement already in UK law. Incitement to violence, including terrorist violence, is already a criminal offence, as is incitement to commit an act of terrorism overseas, by virtue of section 59 of the Terrorism Act 2000. Solicitation to murder is an offence under section 4 of the Offences Against the Person Act 1861 and incitement to racial hatred is a crime under the Public Order Act 1986. A wide range of criminal offences is already available. Why, then, is a new offence of encouragement of terrorism, including by its glorification, necessary?

I am not sure that I have grasped the Home Secretary's arguments at all. He told the Home Affairs Committee that the problem was that

"the current law of incitement essentially deals with a very particular event, which an individual committing an event is incited to commit, for example to commit a very particular act in a particular way . . . that means it is difficult to prosecute in the more general circumstance where an individual organisation is inciting in general but not linked to a very particular crime."

Like the right hon. Member for Southampton, Itchen, I am not lawyer, but in the Regina *v.* El-Faisal case of 2004, the Court of Appeal upheld the convictions of a minister of Islam—for soliciting murder under section 4 of the Offences Against the Person Act 1861 and for incitement to racial hatred under the Public Order Act 1986—for having made audio tapes urging Muslims to fight and kill, among others, Jews, Christians, Americans, Hindus and other "unbelievers". In the course of its judgment, the Court of Appeal explained the great width of the offence of soliciting to murder:

"The offence of soliciting to murder is contained in s. 4 of the 1861 Act which states:

'Whosoever shall solicit, encourage, persuade or endeavour to persuade, or shall propose to any person, to murder any other person, whether he be a subject of her Majesty or not, and whether he be within the Queen's dominions or not, shall be guilty of a misdemeanour, and being convicted thereof shall be liable to imprisonment for life.'"

That amounts to a more severe penalty than is envisaged by the Home Secretary.

The scope of the behaviour sufficient to constitute the offence was classically given more than 100 years ago by Lord Huddleston, who provided an interpretation:

"The largest words possible have been used, 'solicit'—that is defined to be, to importune, to entreat, to implore, to ask, to attempt to try to obtain; 'encourage', which is to intimate, to incite to anything, to give courage to, to inspirit, to embolden, to raise confidence, to make confident; 'persuade' which is to bring any particular opinion, to influence by argument or expostulation, to inculcate by argument; 'endeavour' and then, as if there might be some class of cases that would not come within those words, the remarkable words are used, 'or shall propose to', that is say, make merely a bare proposition, an offer for consideration."

I have troubled the House with a lengthy excerpt, but I am trying to demonstrate that the Home Secretary has not answered the core of our fight—a national fight, which affects our constituents—and has not demonstrated why, given the present state of the law, clauses 1 and 2 are necessary.

It is the wider implications that really worry me. Freedom of expression is perhaps the most important and basic right in a democracy. It did not come about casually, as we said last week in debating the Identity Cards Bill. It was a long march, and many of the acts that brought us to where we are—the Home Secretary has defined democracy—were products that would be caught by the legislation in any event. That is the truth of the matter. Those who burned rickshaws would be caught, as I read the provisions. Is that really our intent—to define our own democracy in those terms?

In respect of the extension to the overseas provisions, the Home Secretary said that he had attended the ceremony—in St. Paul's cathedral, no less—marking the 60th anniversary of the UN. The UN has nearly 200 members, but would we call all of them democracies, even though they all subscribe to the universal declaration of human rights? The hypocrisy is writ large, and the Home Secretary offers an extraordinary historical analysis when he claims that the movement in the world at large is towards democracy. However, that process of edging towards democracy has often been ignited by something else.

Mr. Mugabe, through his country's membership of the UN, subscribes to those universal principles. People in other benighted countries suffer under the heel of cruel and vicious Governments, but do we tell those who rise up against their privations that anything that improves their lot is passable? No: the Home Secretary says that there is an ineluctable movement towards world democracy, but that is simply neither true nor real. In the pursuit of the Home Secretary's dream, we are asked to degrade and undermine some of our basic principles of freedom and democracy.

It is the crafting of the Bill that worries so many of us. The principle behind extending detention to 90 days clearly nags at the consciences of many hon. Members. There has to be some form of compromise.

I am grateful that the Government concede that the matter is important enough to be discussed on the Floor of the House. That allows all hon. Members to examine the proposals and express their opinion about it. Would to God that we had the same right in respect of so many of the instruments that come before us. Nevertheless, I congratulate the Government on their approach today.

I think that the Bill will founder on the Government's flagship Human Rights Act 1998, that at some time it will be declared to be incompatible with that legislation, and that we will be back to where we started. There will come a time when the House has to determine whether an instrument of declaratory power is appropriate to the circumstances that we face. The Bill challenges our declaratory principles of freedom of expression and the proportionality of actions taken by the state to meet the exigencies that we face.

4.22 pm

Mr. Michael Meacher (Oldham, West and Royton) (Lab): It is always a great pleasure to follow the hon. Member for Aldridge-Brownhills (Mr. Shepherd), and I agree with a great deal of what he said.

As expected, the Home Secretary offered a very robust defence of the Bill. No one doubts that it was the Government's duty, and his in particular, to take all appropriate steps to protect the population against terrorism, especially in the light of 7 July, but any Bill designed to achieve that purpose must be tested against several criteria.

First—and this question was rightly posed by the hon. Gentleman for Aldridge-Brownhills—is the Bill a necessary addition to the existing corpus of law to prevent acts of terrorism in the UK? Last year, the Director of Public Prosecutions told the Joint Committee on Human Rights that there was

"an enormous amount of legislation that can be used in the fight against terrorism."

Indeed, the common law of incitement and the Terrorism Act 2000 already provide very considerable scope for prosecution. For example, the Bill's new offence of encouragement of terrorism has been justified on the grounds that it is intended to criminalise incitement to murder, yet acts of incitement to murder or terrorism are already punishable by life imprisonment. In fact, I suspect that any difficulty in bringing prosecutions at the present time is much more likely to arise from the self-imposed ban on admissibility of intercept evidence, which in my view should be lifted, than from the absence of a prosecutable offence. Therefore, it is not clear that the Bill passes the first test.

The second test is whether the Bill is drafted tightly enough to catch those against whom it is allegedly directed and not those who may unintentionally be trapped by loose drafting? It is certainly to be welcomed that, after considerable concern has been expressed, the original proposal about glorification of terrorism has been dropped. But encouragement of terrorism is still drawn extremely broadly. In particular, as others have said, it allows acts to be criminalised without the need for intention by the person committing the offence. That is wrong and we must return to that next week.

Moreover—almost everyone has mentioned this—the definition of terrorism under clause 1 is so wide that, contrary to what I think the Home Secretary was saying, it would criminalise calls to overthrow oppressive regimes where democratic means do not exist. In my reading of the definition, it would have caught those supporting the African National Congress and its methods in the fight against the apartheid regime. It would also have caught those calling for action involving, for example, violence against property, even if not violence against the person, against such regimes as North Korea, or Burma—that has been mentioned—or Ceausescu's regime in Romania, and would have criminalised those who called for action against the Nazi regime in Germany.

Mr. Hogg: Does the right hon. Gentleman agree that it goes much further than that, because people who write about that in a historical sense are also caught?

Mr. Meacher: Yes; I take that point and I support what the right hon. and learned Gentleman has said on this. A definition that catches all those examples goes far too wide, and in my view the Bill does not pass that second test.

A third key test is whether the Bill is drawn so loosely that it is likely to be used rather more indiscriminately in future years against persons who are not necessarily the ostensible targets? There is plenty of evidence historically that that has been the result of using wide definitions. The best example, of course, is the stop and search legislation. Section 44 of the Terrorism Act 2000, which has been mentioned, has been used against anti-war protesters and arms trade protesters as well as, most notoriously, the 82-year-old Walter Wolfgang.

Ms Dawn Butler (Brent, South) (Lab): On stop and search, does my right hon. Friend agree that there are serious concerns about the additional powers that have been offered to the Metropolitan police, and that they need additional training? We must ensure that they are given additional training because any abuse of those powers will cause a further deterioration in race relations in this country?

Mr. Meacher: I very much agree with my hon. Friend, but I would go further. The existing drafting of the stop and search legislation has led to its being used in a massive number of instances, but hardly any have led to prosecution, and there is suspicion—which may well be founded—that the legislation is being used by the police for wider purposes. I do not think that the fault is police training; it is the laxity and looseness of the original definition in the legislation.

There are already suggestions that clause 10 might be used against animal rights protesters. Whatever one feels about that, whether one uses anti-terrorism measures against them or other protesters is another matter—*[Interruption.]* This is arguable, but it is not being proposed that that is the purpose of the Bill.

Mr. Shepherd: Will the right hon. Gentleman give way?

Mr. Meacher: I will give way for the last time.

Mr. Shepherd: The Home Secretary confirmed on Monday in front of the Joint Committee on Human Rights that it could be used against animal rights protesters.

Mr. Meacher: That only confirms my point. The Bill is intended to deal with the problem of acts of terrorism, such as those which the country faced on 7 July. For it to be used in this much wider way is not sanctified, and it is for us here in Parliament to make that clear. However, those who might be affected include not only animal rights protesters, but those protesting against a revival of civil nuclear power, the replacement of Trident or genetically modified crops. It is no answer to say that prosecution could be pursued only with the consent of the Director of Public Prosecutions. We should oppose the provisions because such catch-all legislation undermines the legitimacy of our anti-terror efforts precisely when we need to build a consensus around them. We should also oppose the insidious

[Mr. Meacher]

switch from defence of the state to defence of property—or whatever the prevailing ideology of the Government of the time happens to be—that is apparent in the Bill.

The fourth test is whether the Bill will undermine the rights and liberties of the free society that it is purportedly designed to protect. Everyone agrees that the balance between liberty and security is a difficult issue. By far the most contentious issue, as we have heard this afternoon, is the proposal that terrorist suspects should be detained for up to three months. That is more than 20 times the pre-charge detention limit for murder. It would allow the equivalent of a six-month custodial sentence without a charge being brought. Apart from the breach of the habeas corpus principles and article 5 of the convention on human rights—I disagree with the Home Secretary on that point—it is difficult to believe that the provision is really necessary. The Association of Chief Police Officers says that it is needed because of the potentially huge amount of material and the possible involvement of several jurisdictions, but the same argument applies to much white collar fraud, for which pre-trial detention is limited to only four days, or one twenty-fifth of the time proposed in the Bill.

An interesting Foreign and Commonwealth Office document, which has not been mentioned today, makes comparisons between the proposals in the Bill and existing practice in other countries. In almost every case, they have a much shorter pre-charge detention limit than that proposed. Most terrorist arrests will usually follow months of previous investigations, which would allow large amounts of evidence to be compiled. If, occasionally, that were not so—if an event had happened that the police were not expecting—a much better compromise would be for a suspect to be charged under existing legislation and further charges added later, if appropriate. If that requires changes to the PACE code, so be it. The 90-day provision is the most serious in the Bill and it must be addressed.

A fifth test is whether the Bill will alienate those sections of the population whose support is vital to isolate and defeat the supporters of terrorism. In that context, any measures that cause Muslims to be treated unfairly—or to perceive themselves as being treated unfairly—would be counter-productive. Legislation that is too widely drawn, like this Bill, might well make Muslims who strongly condemn attacks very wary of contacting the police and volunteering crucial information. They might feel that their legitimate but critical views of middle east policy would make them vulnerable to prosecution. Equally, the banning of organisations that do not advocate terrorism, such as Hizb ut-Tahrir—however objectionable their views are—would drive them underground and make intelligence gathering more difficult. The Bill is not acceptable on that score either.

My sixth and last point is somewhat wider, but essential. Does the policy behind the Bill take account of the wider underlying causes of terrorism and seek to redress them? That question goes a long way beyond a Home Office Bill, but it is a crucial component of our whole approach to terrorism. While in the short term we should certainly take all reasonable steps to protect our own security, we should never lose sight of the fact that one of the major roots of terrorism is the widespread perception of a fundamentally unjust and untenable political situation in the middle east. That recruiting ground for terrorism and al-Qaeda will be removed only when we have a timetable for the withdrawal of foreign troops from Iraq, the creation of a viable Palestinian state and a reorienting of the fundamental—

Mr. Deputy Speaker (Sir Michael Lord): Order. The right hon. Gentleman has had his time.

4.35 pm

Mr. William Cash (Stone) (Con): I fear that some of the discussion that we have heard this afternoon has perhaps gravitated rather more towards the experiences of those in the criminal law than towards the questions that lie at the heart of the Bill. This legislation is about terrorism, and I would make the case strongly that we verge closely in that context on the problems that exist in a state of war, as I indicated in an earlier intervention. During our discussions on the Prevention of Terrorism Act 2005 in March this year, there was a failure to appreciate that the most important thing was to achieve a balance—security on one hand and liberty on the other. I am bound to say that I have more sympathy with the Government's position in respect of the Bill than do some of my right hon. and hon. Friends.

The criteria applied under the Human Rights Act 1998 and, indeed, in respect of the European convention on human rights must be regarded as a question of proportionality in the context of the threat to public order and public safety. Indeed, during the proceedings on the former Bill in March I took exception to the line that was then being taken by Conservative Front Benchers about our complying with the obligations under the Human Rights Act 1998 in relation to control orders and terrorist suspects. I thought that profoundly wrong, and I continue to feel the same way about the application of the ECHR to the Bill.

I would not want to give the slightest impression that I am in favour of taking away rights that I thought justifiable, as enacted by the House. Indeed, in a very short clause that I produced to the Bill in March, I said that nothing in any Act should stand in the way of

"a writ of habeas corpus or other prerogative remedy and . . . a fair trial in accordance with due process and the rule of law."

I believe profoundly that, whether or not a person is a terrorist or someone who incites hatred or whatever else, that person should in no way be denied the opportunity to benefit from habeas corpus, the rule of law and a fair trial. Indeed, I had an exchange with the Home Secretary during those previous proceedings, and he said that habeas corpus would apply. There was some serious doubt about that at the time, but the reality is that, in the context of the Bill, the Government have dug themselves into a substantial hole in trying to have their cake and eat it.

In my opinion, it is not possible for the Government to avoid tackling the problem of the application of the Human Rights Act 1998 to such legislation. Indeed, Lord Carlile made it clear in a well considered report that he thought that a period of up to three months was justifiable on the evidence that he heard. I hope that we hear more during our proceedings about what that

evidence amounted to. Lord Carlile thought that the Government would have serious problems preventing the Law Lords from eventually ruling against provisions in the Bill on the grounds of the Human Rights Act. We have seen that after enormous amounts of time and delay, Belmarsh and other cases were taken to the courts and the Government's declarations of compatibility with the Act were struck down.

The remedy is simple. If the Government want to legislate for a specific purpose, based on evidence they provide, and if they can make a case on the Floor of the House and in Committee to justify an extension of the period to three months or a bit less—whatever emerges from the debates—they should seize the nettle and, as I suggested earlier, include the provision:

"notwithstanding the Human Rights Act 1998".

I do not need to take the House through the case law, save to say that Lord Hoffmann made it perfectly clear in a case a few years ago, as did the Lord Chancellor when the Human Rights Act was going through the House, that the 1998 Act can be amended by unambiguous subsequent legislation passed in the House. Just as it is the first priority of the Government to ensure the protection and security of the nation, so it is the first principle of the House to make up its mind about the legislation it wants to ensure that protection. That may bring us into dispute with some members of the judiciary, but it would not be for the first time over the many centuries that the House has existed. I profoundly believe that we must legislate according to the proper requirements of protection of the nation and that that should be decided in Parliament and not in the courts. That is the first and fundamental principle.

Secondly, I want to refer to the report of the Gardiner Committee in 1975, when similar problems emerged with regard to the protection of the nation from IRA terrorism. The report stated:

"Some of those who have given evidence to us have argued that such features of the present emergency provisions as the use of the Army in aid of the civil power, detention without trial, arrest on suspicion and trial without jury are so inherently objectionable that they must be abolished on the grounds that they constitute a basic violation of human rights."

I remind Labour Members that that was a Labour Lord Chancellor in a Labour Government. The report continued:

"We are unable to accept this argument . . . The suspension of normal safeguards for the liberty of a subject may sometimes be essential, in a society faced by terrorism, to counter greater evils."

As I made clear earlier, it is essential that if the period of time is to be extended beyond 14 days, there should be no possibility of not holding a serious review by a senior judge of the circumstances in which the person is being held. It cannot be left to district, or even circuit, judges. The cases would be few and far between, so fair process—fair trial and habeas corpus—must be reinforced as the most fundamental principle on which we rely. However, that does not mean that terrorists or suspected terrorists should be given a more privileged position than they deserve.

There are extremely good reasons why the Government must take the ultimate responsibility for such legislation, but they must also act responsibly. On the whole, the legislation is right, although I am slightly worried about the definition of the glorification of terrorism, but we can look into that at a later stage. There are ways of dealing with the questions about trial and detention and, with respect to some of my hon. Friends, they should not be too worried about an arbitrary time of 14 days.

4.45 pm

Mr. Chris Mullin (Sunderland, South) (Lab): Let the record show that the hon. Member for Stone (Mr. Cash) was the first hon. Member on either side of the House, either by way of intervention or in a speech, to speak in support of the Bill.

Mr. Hendrick: Will my hon. Friend give way?

Mr. Mullin: Not just yet, if my hon. Friend does not mind.

I intend to direct my remarks solely to the proposals for 90-day detention. I say at the outset that I realise that, with the arrival of the suicide bomber in the United Kingdom, we face a wholly new form of terrorism. I accept that we have an obligation to provide the police and security services with the tools that they need to deal with that, and I acknowledge that a difficult balance must be struck between the protection of the suspect and the liberties of the subject. I accept all those things, but do not believe that a case has been made for detaining suspects for up to 90 days. What is more, the provision will lead to unintended consequences that could store up a lot of difficulties for when the Bill is implemented.

As I said when I intervened on the Home Secretary, it is unfortunate that the Government have uncritically endorsed what I still believe to be the police's first throw of the dice. The police did not think for a moment that they would get 90-day detentions. The request was their opening shot in what they perhaps thought would be a process of negotiation, so they would have been as amazed as most hon. Members who have spoken that the proposal was uncritically endorsed.

I oppose the 90-day detention because there is a danger that the power will be abused, whatever safeguards we try to put in place. The overwhelming majority of terrorist suspects are released without charge. Of the 895 people arrested under the Terrorism Act 2000 up to 30 September 2005, only 23 were charged—not convicted, but charged—with any form of terrorist offence. Some 300 others were charged with other offences, some of which were quite minor, and 496 were released without any charge at all. Under the Bill, it would have been possible to hold those 496 people for up to 90 days instead of up to 14 days, as can be done at the moment.

With the best will in the world, the police will be tempted to string out the process. If they do not have to work their way through a big pile of documentation and other evidence quickly, they might wait 30 or 40 days before even getting round to starting to do that. I am not suggesting that that would always happen, but it is a reasonable supposition that it will begin to happen in some cases over time.

Mr. Hendrick: My hon. Friend admitted that suspects were not kept for longer than 14 days in most instances. If they are not being kept for longer than 14 days, why should the police string out the process for up to 90 days?

Mr. Mullin: With all due respect to my hon. Friend, that point rather rebounds on him. If it has not been necessary to detain anyone for more than 14 days so far, it is a rather large leap to say that we now urgently need a 90-day provision.

If a time period of 90 days is now essential, why, when the police were last consulted only a little over two years ago—terrorism had been with us for some time by then—did they ask for a rise from seven to only 14 days? I do not understand why their request has suddenly leapt from 14 days to 90. If they had asked for a more modest increase, I could engage with the argument.

When I looked up the way in which the then Minister, my right hon. Friend the Member for Stretford and Urmston (Beverley Hughes), justified the extension from seven days to 14, I noticed that some of her reasons were remarkably similar to those cited in assistant commissioner Hayman's letter. The points about the need to study computers and technology were made almost word for word. I accept that other considerations have emerged since then and that there might be a case for extending the limit, but not to 90 days, for goodness' sake.

Some Members have said that Lord Carlile endorses the proposal. I accept that he does so in his report, but not with any great enthusiasm. He does not endorse all the proposals in assistant commissioner Hayman's letter, and dismisses some of them explicitly:

> "I do not regard extra time for interviews as being a sound basis for the extension of the time period . . . the reality is that most suspects exercise their right to silence".

Mr. Grieve: The hon. Gentleman will note that the Bill justifies extending the period solely to facilitate further questioning.

Mr. Mullin: Indeed. That brings me to the point made by the right hon. and learned Member for Sleaford and North Hykeham (Mr. Hogg). Courts may find it difficult to convict on the basis of admissions or accusations that emerge after 20, 30, 40 or 50 days in custody. That may be an unintended consequence of the measure and may lead to some people walking free who should not do so. I take no comfort from the safeguard that a district judge should approve detention at regular intervals. I have a little experience in this area and, in the past, many members of the judiciary, both senior and junior, have proved remarkably gullible in believing whatever nonsense was put before them by the Crown and, in some cases, by the police. The words "national security" have only to be breathed for some district judges, magistrates and even High Court judges to roll over and have their tummies tickled. With the best will in the world, it is difficult for a judge, however senior, to turn down a request from a Crown prosecutor who tells him that the detention order is essential and that the world could be blown up tomorrow unless he renews it.

I remember a former Bow street stipendiary magistrate, a man of great experience, saying on his retirement that he could not recall a single instance in 30 years of a policeman in the witness box exaggerating in the slightest. I accept that things have changed a little, but that gives a flavour of the difficulties that we will encounter if we let district judges deal with the problem. The Home Secretary will concede that it must be a High Court judge at least. Indeed, that must be one of the concessions in my right hon. Friend's back pocket, and it would be nice if he conceded the point in the Commons rather than the other place.

Some say that we should place our trust in experts, and that the experts who track down terrorists have a complex job, so we should listen to whatever advice they give us. I certainly listen with respect to anyone who has that difficult job, whether they are in the police or the security services, but I do not endorse blindly or automatically whatever they say, because in years gone by experts have been known to be spectacularly wrong in terrorism cases and other matters. In the mid 1970s—the situation then has a bearing on today's situation—they caught the wrong people for all the main terrorist bombings. A total of 18 people were wrongly arrested. Some of those experts and High Court judges still argue in private that all the people who were captured in the '70s were guilty. They are still in self-denial and labour under a massive illusion. My message is therefore, "Put not thy faith entirely in experts."

I hope that we will not go down the American road.

Mr. Graham Stuart (Beverley and Holderness) (Con) *rose—*

Mr. Mullin: Forgive me, I have only three minutes left.

In many respects, the Americans have thrown away the rule book when it comes to dealing with terrorism. Some hon. Members will be familiar with the process of extraordinary rendition, whereby terror suspects are kidnapped and franchised out to countries where torture is routine. I do not want to see us starting out down that road. I do not suggest that it would ever happen in this country. I am sure that it will not, but it should be a warning to us.

So, too, should the shooting of the unfortunate Brazilian gentleman in Stockwell tube station. I understand how these things happen. I well remember the atmosphere in which it took place, but it is when tensions are at their highest that we need to have safeguards in place. Was it not instructive that we subsequently learned that, the day after the shooting, the Metropolitan Commissioner had quietly written to the Home Secretary and asked that there be no independent inquiry into the shooting? The Home Secretary rightly rebuffed him. Indeed, the law requires that there be such an inquiry. Sir Ian Blair, the Metropolitan Police Commissioner, a man held in great respect is, relatively speaking, a liberal. If he would go down that road, one can only wonder how someone of a less liberal disposition would react in those circumstances.

That emphasises the need for us always to be on our guard and to leave no loopholes in the law when it comes to inserting protections and making sure that they are watertight. I am in favour, as I said at the outset, of making the police and the security services as effective as possible in the fight against terrorism. I am not against some of the measures in the Bill, providing they can be justified, but there must be a bottom line. Although

I might be persuaded to go along with a modest extension of the powers of detention, it will not be a very large one. We are making a mistake if we endorse the full 90 days or anything resembling it. Judging by the mood in the House tonight, I feel sure that the Government will want to compromise in the end. I look forward to that day.

4.57 pm

Mr. Elfyn Llwyd (Meirionnydd Nant Conwy) (PC): Many of us are nervous about the Bill because we have seen how the 2000 Act has been operating out in the field, so to speak. A cricketer on his way to a match was stopped at King's Cross and questioned under section 44 of that Act about his possession of a cricket bat. Police thought he might be travelling to Scotland to cause trouble at the G8 summit.

Emily Flynn, a 24-year-old woman, was detained under section 44. She stated:

"They questioned me, searched my bag, read my notebook, and threatened to take me inside to strip search me. 'You have to admit,' said officer 216738—who could legally withhold his name . . . 'that you couldn't be searched by a better looking bloke.'"

She has no redress, apparently, after that incident.

I speak on behalf of Plaid Cymru and also the Scottish National party. Clause 1 deals with the encouragement of terrorism. We are concerned about the way in which the clause has been drafted. The requirement that the accused knew or believed or had reasonable grounds for believing that other members of the public were likely to understand it as a direct or indirect encouragement or other inducement to commit terrorist acts looks fairly reasonable, but it is not good enough. Without a more specific definition, the offence is likely to have unintended consequences, one of which, I can readily see, is the inhibition of free speech. Furthermore, it is unacceptable to create such a wide offence that will require reliance on the discretion of the prosecution as to its appropriate use.

We have heard about the Cherie Blair and Jenny Tonge test. I will not go over that again, but suffice it to say that many worthy causes—and, I regret to say, many hon. Members—will be outlawed if the Bill goes through in its current state. The law must be accessible, and those affected by it must know exactly what it prohibits. That must be formulated with clarity, so that those affected understand it and regulate their conduct according to the law.

Mr. Gummer: Does the hon. Gentleman find it difficult to explain what the law would mean in this case, because not only would the speaker not have to have an intent to cause this, he would have to be telepathic in order to discover what someone might think if he spoke in that way? Many of us find that our speeches are not entirely understood, however clear we try to make them, but this makes speechifying almost impossible when we are dealing with circumstances as terrible as, for example, the fate of the Palestinians, the way in which they have been treated, and the way in which so many countries now suffer under the heel of dictators. I find it very difficult to know how one would measure one's words in this way.

Mr. Llwyd: The right hon. Gentleman is spot on, and I know he gains support from throughout the House for what he has just said.

The dangers of allowing clause 1 to continue unamended stem from its broadness and vagueness of definition, the lack of any intent, as the right hon. Gentleman said, and the lack of any sense of the certainty essential to a fair and credible criminal justice system. People will be unaware of the consequences of their actions, as he said, and have no control over how their words or publications might be interpreted. We are on very dangerous ground at the moment. Liberty, for example, believes that this offence is totally unnecessary anyway, because there is sufficient criminal law allowing prosecution of those who incite terrorism, a point that the right hon. and learned Member for Sleaford and North Hykeham (Mr. Hogg) made well earlier. If there is to be any new offence—I do not believe that there should be one—it must have at its core the element of intent.

Furthermore, as the right hon. and learned Gentleman said, anyone arguing for deposing brutal dictators anywhere in the world at any time would be guilty of a breach of clause 1. If this offence had been on the statute book a few years ago, it would have caught dissidents against Saddam, and it would certainly catch anyone calling for the deposition of Robert Mugabe.

John Bercow: Does the hon. Gentleman agree that the mistake that the Government are making is that they fail to recognise what I had thought by now was fairly widely acknowledged, namely that there is a difference between a terrorist on the one hand and a freedom fighter on the other? The differences are twofold. The freedom fighter is fighting for something that in any conceivable sense can be described as freedom, and he is doing so in circumstances where there is no credible alternative because he is operating within a closed political system. Surely the Government understand that proposition.

Mr. Llwyd: The hon. Gentleman makes that point extremely well, but what is insidious is that even support for that kind of action will be criminalised in this country, and he and I and others may find ourselves before the courts in short order.

Clause 8 relates to being present at a camp where terrorism training is taking place. That again is a difficult matter. I am sure that no sensible person would find themselves in such a camp, but again in that instance there is no actus reus and no mens rea; it becomes an absolute offence. A person in such a camp might be a bit slow on the uptake and not have picked up on what was going on, but if one is there for whatever reason, that is it—seven years, thank you very much. Again, that is extremely dangerous ground. Will we be breeding terrorists rather than inhibiting them by going along this particular road?

An offence is created by just being in a place at the wrong time, with no intention whatever. It is guilt by association. That can never have any place in the law of England and Wales, and it should never have any place at all. Clause 8 will undoubtedly breach article 6 of the human rights convention, and it is impossible to see how such a principle could sensibly form the basis of new criminal law in the UK.

All Members have been concerned with clause 23, which extends the period of detention. As the hon. Member for Sunderland, South (Mr. Mullin) observed,

[Mr. Llwyd]

there has never been a case where anybody has been held for longer than 14 days, so why do we need 90? Why not make it 190, or 300, while we are at it? The whole thing is ridiculous. The first question is whether we need an extension. My view is firmly that we do not, but let us be reasonable and open to argument in deciding whether to agree to some form of abridgement.

I am not at all happy with a district judge reviewing the process, because some are prone to accepting one version of the facts and one only. I am not even sure about the nature of the review. Will the detained be represented? Will they know what is being said in proceedings held in camera? Is the detained entitled to be represented, or are we to have another Special Immigration Appeals Commission situation in which absolute balderdash is dished out before the court and nobody has a chance to challenge or even evaluate what is being said?

Mr. Graham Stuart: Regardless of the seniority of the judge who conducts the review, he or she is being asked to look at evidence that has not yet been found. It is almost impossible for the judge to make a proper assessment, so protection cannot be put in place.

Mr. Llwyd: That is right. And how can one challenge whether the process is happening within a reasonable time scale, given that a person is being detained? All those points need to be considered.

The provision may have come about because of the press release by the Association of Chief Police Officers within a week of the awful occurrence in July. As has frequently been said, if we rush into legislation, we often, if not always, get it wrong. If we rush into this legislation, we will get it wrong big-style. It may act as a recruiting sergeant for terrorism and will certainly alienate large sections of our society—the very people we need on our side in such times. It is extremely dangerous, and we need to reflect far more on what we are doing. In the round, most of it would be covered by existing legislation in any event and is therefore, to use the famous parliamentary word, otiose. We need the current law to be properly enforced.

I have made my point clear. I do not believe that there is a case for extending the 14-day period. Under section 47(3) of the Police and Criminal Evidence Act 1984, a person can be bailed during the investigation to come back to the police station. He or she can be tagged or put under curfew, and surveillance can take place. Reporting restrictions may be followed. All that is preferable to holding somebody in what might be termed administrative detention, with all the problems that we saw in Northern Ireland when that occurred over there.

We do not need this insidious part of the Bill. We do not need to alienate sections of our community. When all is said and done, we are trying to ensure freedom of speech, the rule of law and democracy, all of which are under attack in this Bill. We must all help to identify a more proportionate solution.

5.8 pm

Mr. Robert N. Wareing (Liverpool, West Derby) (Lab): No Member of this House would in any way deplore measures to prevent terrorism occurring in our country. One of the reasons many of us voted against the war in Iraq was that we realised that it would make our country even more vulnerable to terrorist attacks. In my view, the Bill is an excellent example of legislation that has been introduced in a knee-jerk reaction.

The Government have to show that they are macho about the terrorist threat. We have heard assurances from the Home Secretary that the 90 day detention provision and the other clauses will be used only against suspected terrorists. However, we heard those assurances when the Terrorism Act 2000 was considered, but they did not prevent the arrest of Walter Wolfgang, after he had been removed by thugs from the Labour party conference, under—believe it or not—the Terrorism Act. A refugee from Nazi oppression was arrested under the Terrorism Act. I am not therefore comforted by the assurances that we have been given this afternoon.

Cherie Blair's statement has been mentioned several times. I signed the early-day motion to defend her from attacks in the press. If the Bill had been law and we had expressed that view in the country, we might have been affected by its provisions. It is no use people shaking their heads. I have visited the west bank and seen the oppression under which the Palestinian people live. I can understand why there have been suicide bombers there, although I do not understand it in this country. Let us imagine that a radical Palestinian heard a statement by Cherie Blair or Jenny Tonge. He might become even more radical. I am sure that it could be proved that statements by people from this country tipped the scales so that a person became militant and involved in the terrorist acts that we all deplore. That could apply to the statements that I mentioned.

The Bill contains much that is objectionable and much that I appreciate. However, it includes little that is not already covered in statute or common law. The means for tackling the terrorist threat already exists. Indeed, the Government have been successful in dealing with extremist clerics, although they have some difficulty in deporting them, but that is another matter. They have done all that they could to deal with those who were rightly arrested because of their blatant statements, which were a spur to terrorists.

Let us imagine that the Bill had been on the statute book some years ago, during the Thatcher Administration, when the Prime Minister expressed support for Pinochet and described Nelson Mandela as a terrorist. Many of us went on the streets to support Nelson Mandela and the fight against apartheid. I was the chairman of the Merseyside committee for solidarity with Chile after that other 9/11 in 1973. If the Bill had been law, perhaps we would have been in prison. Let us picture the situation: Cherie Blair in prison, me in prison, and, if her husband had come out in her support, I might have shared a cell with the Prime Minister. Heaven forbid, but it might have been possible.

One of the great difficulties with the Bill is its lack of a definition of terrorism. Many hon. Members have alluded to that, but I believe that the definition given to

terrorism is whatever the Government of the day believe terrorism to be. The Thatcher Administration thought that it was terrorism to attack the Pinochet regime or apartheid South Africa.

I do not know what the Government consider to be terrorism. I am sure that they do not believe that tackling terrorism includes getting rid of an 82-year-old man at the Labour party conference. They do not really believe that, do they? Could not the legislation also have been used against the Greenham Common women? Were they terrorists? If someone at a CND demonstration leaves the rest of the crowd and tries to cut through the wire fence to get into an American air force base, is that terrorism? Such people could be pursued under this Bill.

I realise that the 90-day detention is an important issue, but I do not want to go into the details of the proposal because many people have already done so. I am of course opposed to it. I note that the Conservatives have also expressed their opposition to that part of the Bill. On Second Reading, we vote on the principle of a Bill, and that provision forms part of the principle of this Bill. I see no reason for the Conservative Opposition to go along with the Government on this. It does not make sense.

Mr. Grieve: I accept that it is a difficult decision. Speaking personally, however, I have to say that there is enough in the Bill that I regard as important, and that tends in the right direction, to make me unwilling to stop the Government at this stage, when they have indicated that they are prepared to listen. Of course, if they do not listen, and if the legislation remains substantially in its present form, I can assure the hon. Gentleman that I shall not be able to support it on Third Reading.

Mr. Wareing: I realise that that case has been made, but the vote this evening is on this Bill, and clause 23 is enshrined in it. That clause deals with the number of days for which a person can be detained. I agree with the hon. Gentleman to a certain extent: there are other issues in the Bill. However, we might want to tell the Government to go back to the drawing board. But is that needed? As I have said, they already have enough powers to take the action that they need to take, and they have done reasonably well in dealing with the extremist clerics. If clause 23 is still in the Bill at 7 o'clock tonight, I can see no reason for voting for the Bill. I might abstain on a number of issues, but I do not believe that anyone whose conscience tells them to oppose the 90-day provision could possibly support the Bill. I hope that the Conservative Opposition will join those of us on the traditional Labour Benches in opposing it tonight.

5.18 pm

Mr. Peter Robinson (Belfast, East) (DUP): The hon. Member for Sunderland, South (Mr. Mullin) was a little unkind to the hon. Member for Stone (Mr. Cash) when he damned him for the grave offence of offering some measure of support to the Government whom we assumed the hon. Member for Sunderland, South supported. The reality is that even the hon. Member for Stone had some misgivings about elements of the Bill.

No one in the House today—not even the Home Secretary—wants to have to deal with this kind of legislation. However, we do not find ourselves in the circumstances that we would like to be in, and we have to deal with the circumstances as they are. The former Secretary of State for Northern Ireland, the right hon. Member for Torfaen (Mr. Murphy), rightly said that the Government had two competing duties. The first is their duty to protect the lives of the citizens of this kingdom; the second is their duty to protect those people's liberties. Because that tension exists between the two duties, the Government have to strike a balance. Most of today's debate has been about determining the point at which the balance should be struck.

I said in an earlier intervention that I was struggling with one issue: in fact, there are two. First, the Home Secretary indicated that he was considering the issue of definitions, particularly in relation to the glorification of terrorism, and I hope that progress will be made on that in Committee—progress must be made, as the current position is unworkable.

Secondly, in relation to the 90-day issue, I intervened on the hon. Member for Winchester (Mr. Oaten) in the hope of drawing out some answer to the problem that I faced. The Home Secretary has made a strong case about why additional time in detention is necessary. We are dealing with a new world, with different technologies. The proliferation of CCTV across the United Kingdom is such that when an incident occurs, the investigating authorities can view it from various standpoints and gather information. The issue of computers was mentioned, and it was not adequately dealt with by the shadow Home Secretary's answer that although it might take time to get around the problem of encryption, a suspect who withholds information should be charged and could be held on that charge. The reality might be different. Three people might be responsible for what was intended to be a series of suicide bombings, two of whom might have given up their lives in the process. Those two might be the ones responsible for the encryption, and no matter what legal redress one might have against the remaining person, he could not decode the files even if he wanted to. That is one of a series of different possibilities that would prevent such a solution.

Mr. Hendrick: The hon. Gentleman's point, which is a strong one, is that if someone refuses to provide a key to an encrypted piece of data, the shadow Home Secretary's suggestion is that he should be charged with the latter offence rather than the potential offence, which might be much greater.

Mr. Robinson: I imagine that the shadow Home Secretary's argument is that that would be the holding charge in the first instance. That was much the argument of the Liberal Democrat spokesman, who said that he had the answer to the 90-day problem: if people were brought in on suspicion of responsibility for some terrorist incident, some lesser charger should be made against them. I do not like that option, because, in effect, we would be giving the police a wink and a nod to concoct some holding charge in order to keep the suspect in custody. That is a worse set of circumstances, because the police are unlikely to withdraw that charge later, whereas if they find, as the Home Secretary suggests, that the person is not of value to them, they can be released. They will end up being charged with what might be, in Northern Ireland language, the duff charge.

[Mr. Robinson]

I have not heard today the answer to the conundrum of how we overcome the problems associated with the longer detention period.

While I said that the Home Secretary had convinced me that a longer detention period was needed, he has not convinced me that 90 days is the right period and, to be fair to him, he has not tried to convince me of that. We need some evidence for why those 90 days are necessary. I would have thought that the provision of as short a detention period as possible is in the interests of anyone who loves liberty. Certain arguments have been advanced, and some thought that they would poke fun at the Labour Member who suggested that because the 14 days had not been exceeded, there should be no concern about a 90-day detention period. The reality is that the police will work within whatever length of time might be available to them.

Mr. Graham Stuart: If there is another atrocity, the red-top papers will call for blood, and the police will want to show that they are taking action. Is there not a danger that they will trawl the friends or associates of anyone whom they believe may have been involved, and that as a result such people will spend a long time in custody? People who have committed no offence may be convicted as though they had committed an offence that would normally carry six months' imprisonment.

Mr. Robinson: That danger is certainly there, although I do not believe that the police act in that way. I believe that they will use the legislation sensibly. Perhaps I am far too innocent and trusting.

Steps can, of course, be taken to ensure that supervision takes place. We have already talked about that. A High Court judge, for instance, might be appointed, and some parliamentary activity might be possible at the same time. Such measures could reduce, if not remove, the likelihood of what the hon. Gentleman has described.

I do not doubt that if we give this power to the Home Secretary and, through him, the police, circumstances will arise in future in which it will be deemed to have been used improperly. Let us, however, return to the balance that the Home Secretary, and indeed the House, must determine. If the Home Secretary leans towards the side of protecting liberties rather than protecting lives, there will be no redress for the people who lose lives. If he leans towards the other side there will at least be redress, however unfortunate the circumstances may be. He has still to convince us of the length of time that is necessary, but he has made a good start by convincing us that a longer period is necessary.

Yesterday I spoke in the House about a Bill dealing with electoral law. On that occasion, it was the Conservatives who had tabled a reasoned amendment. They said that they would vote against the Bill, although they also said that that would not destroy it, that it contained good things, and that they wanted it to proceed. They were pilloried by the Liberal Democrats, who said "You cannot throw out the baby with the bathwater." Now the Liberal Democrats have turned their argument on its head. They have left me completely confused, and I presume that they have left others confused as well.

Martin Horwood (Cheltenham) (LD): Perhaps I can deal with the hon. Gentleman's confusion. A vote on Second Reading is a vote on the principle of the Bill. The principle that we are supporting is that there should be robust and effective measures against terrorism without the contravention of fundamental civil liberties. We feel that this Bill involves a fundamental civil liberty, and that we must therefore object to it.

Mr. Robinson: The hon. Gentleman probably was not here for yesterday's debate, but the Liberal Democrat argument was that in Committee it would be possible to make the legislation into a satisfactory Bill. It is still possible, in my view, to make this Bill satisfactory. It is still possible to change the definitions, and it is still possible to make changes to the 90-day rule. Yet the Liberal Democrats are saying "Throw out the Bill." I think that that is the wrong position to adopt, and it is certainly not the position that my hon. Friends and I will adopt.

5.29 pm

Mr. Andrew Dismore (Hendon) (Lab): When I was appointed chair of the Joint Committee on Human Rights, some may have thought that I was a poacher turned gamekeeper, in view of the efforts that I had made over the years to expose the activities of extremists. I started to ask questions about them as long ago as 1998. I do not agree with my hon. Friend the Member for Liverpool, West Derby (Mr. Wareing) on whether effective action was taken. I think that the answer is self-evident, given all that we have learned over the years about some of those concerned.

My work in that regard has given me a perspective on human rights. It is important to look at both sides of the argument; one side is often overlooked. I believe that my Committee's ongoing inquiry into the Government's response to terrorism is looking at both sides—and I am pleased about the constructive way in which the Home Secretary has engaged with us on the issue.

The attacks on 7 and 21 July themselves constituted gross violations of human rights. The murder of 56 innocent civilians, including four of my constituents, and the severe maiming of scores of others are not capable of legal justification. It is well established in human rights law that invoking human rights to justify the destruction of other human rights is itself an abuse of such rights and never attracts protection.

Human rights law also imposes onerous positive obligations on states to take steps to protect the lives and physical integrity of everyone within their jurisdiction against the threat of terrorist attack. Where an attack has taken place, the state is required by human rights law itself to review the adequacy of the legal measures that it has in place to protect people from terrorist attack and to bring perpetrators to justice.

The fact that attacks have taken place is highly relevant evidence in an assessment of the level of terrorist threat, which itself is relevant to the proportionality of any interference with human rights that can be restricted in the interests of public safety and

national security. However, it remains the case that all measures taken by states to fight terrorism must themselves respect human rights and the principle of the rule of law. National rules may change, but the applicability of human rights rules themselves do not.

My Committee will have reservations about much of the Bill's detail, and particularly about the breadth of its coverage, its definition of terrorism and the question of international comparators.

Mr. Cash: As the newly appointed Chairman of this important Committee, does the hon. Gentleman rule out—as I think he did on the "Today" programme—any amendment to, or repeal of, the Human Rights Act 1998?

Mr. Dismore: I do, because we can do what we need to do without taking such action. I heard the hon. Gentleman's earlier contribution and I agreed with much of it—apart from that aspect.

There is a big distinction between explaining and understanding a terrorist act such as a suicide bombing, and knowingly encouraging others to emulate that attack. We have to devise a wording that will deal with the particular problem of liberation movements—I subscribe to the Home Secretary's view on this issue, but I realise that others do not—and with the sort of statements that have so far gone unpunished by the law.

On 20 April 2004 in Westminster Hall, I referred in particular to an example of such a statement: that made by Hassan Butt, an al-Muhajiroun activist, who said that "close to 50" British volunteers had approached him for advice on emulating suicide attacks in Israel. When asked whether that meant suicide missions in Britain, he replied:

"'Yes, absolutely. When they're needed and when they're required . . . if they want to and they believe Islamically that it's allowed, then fair enough.'" [*Official Report, Westminster Hall,* 20 April 2004; Vol. 420, c. 14WH.]

Under our existing law, that is not an offence, but under the Bill as drafted it would be. If we are to change the Bill's definitions, we have to do so in a way that does not exempt such appalling statements from potential prosecution.

In the end, this issue comes down to the question of proportionality, as the hon. Member for Stone (Mr. Cash) said earlier. In considering the question of compatibility with human rights legislation, we must bear in mind the balancing act between the infringement of individual human rights and the human right of society at large not to be blown up.

Much of this afternoon's debate has focused on the proposed extension of the pre-charge detention period to 90 days, and I want to focus on that issue in detail. Two days ago, our Committee heard very cogent evidence from the police. We pressed them very hard on many of these issues, and I certainly recommend that all Members who have reservations about extending the pre-charge detention period read the transcript of that evidence. We heard from deputy assistant commissioner Peter Clarke, a senior hands-on detective with a number of years' experience of such cases, and from chief constable Jones, of the Association of Chief Police Officers. If Members read that transcript, many of the reservations that have been expressed today would be answered.

The starting point is to say that we are looking at a maximum three-month detention period, not such a period as a matter of course. The police made it absolutely clear that they want to resolve cases much more quickly than that. We were told that they hope to resolve them inside seven days, never the mind the current 14-day period, or beyond. They were keen to make it clear that they did not want to keep coming back to Parliament for further extensions, if it were felt that the period granted by Parliament on this occasion—

Clare Short (Birmingham, Ladywood) (Lab): Will my hon. Friend give way?

Mr. Dismore: I will not, because my time will be eaten up.

If the extension period proved inadequate, the police would have to ask for a further extension. They do not want to do that; they want to think strategically about their position.

Ms Diane Abbott (Hackney, North and Stoke Newington) (Lab): Will my hon. Friend give way on that?

Mr. Dismore: No, I will not, as I have only limited time.—*[Interruption.]* Mr. Clarke made it clear that he envisaged a maximum of three months; he did not envisage three months becoming the norm. Even if it was only two days past the 14 days that got to the point of the charge, their requirement was met.

Ms Abbott: Will my hon. Friend give way?

Mr. Dismore: No, I will not. The reasons given by—*[Interruption.]*

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. It is for the hon. Member to decide whether or not to give way. I feel that I should protect his reputation for making short speeches.

Mr. Dismore: Thank you, Mr. Deputy Speaker. If I had my normal Friday length of time to speak, I would happily give way, but unfortunately I do not.

People have questioned why the police need an extension of their powers, but Mr. Clarke provided two very good examples. The brief that we have received from the police so far refers in general terms to the ricin plot. However, Mr. Clarke told us that

"had we had this provision in 2002, the outcome of a recent court case, the so-called ricin trial, might have been very different. Mohamed Meguerba was one of the suspects in that case and it is likely that we would have held him or applied for his detention for sufficient time to find that his fingerprints were on the ricin recipe and he would have stood trial as a main conspirator in that case had he not fled the country. As it was, he was not available to stand trial".

Basically, he did a runner and the police had no ability to hold him, although his fingerprints were there.

Mr. Clarke provided another useful example of a current case in which the police found—by chance on the 13th day of detention—crucial evidence on a computer, which led to the authorisation of charges from the Director of Public Prosecutions. The inference

[Mr. Dismore]

was clear—that if the computer had not been decrypted until the 15th day, the individual could have walked and probably done a runner. Mr. Clarke made it absolutely clear how much pressure is on the police, when he told us that officers are often

"sleeping on the floor . . . just ploughing their way through this vast amount of data."

The police, he told us, would like to see

"criminal investigations . . . conducted in a slightly calmer and more ordered atmosphere than that."

Many other examples and explanations are given in the evidence, fleshing out the views expressed by assistant commissioner Hayman. I strongly suggest that hon. Members read that evidence, as it answers many of the points that have been raised in the debate. If hon. Members have an open mind—I suspect that many do not, but should—they will find that evidence to be significant. I was certainly sceptical before I heard the police, but adjusted my views after hearing them.

Searches of domestic dwellings that the police have to conduct were another example, as was the length of time required to decrypt SIM cards. Obtaining evidence from overseas was another instance of where it could take the police a very long time. It is not, as some hon. Members have suggested, a question of resources. Mr. Clarke clearly said:

"It is not about resources".

Rather, it was the "sheer weight of material" that needed to be analysed, focused into an interview strategy and then into an investigation strategy by the senior officer. "At some point", he said,

"one person has to be aware of what is emerging from all this data. It cannot just be a cavalry charge."

Some have mentioned lesser charges, but Mr. Jones made it clear that they are often not possible and he mentioned the risk of bail. In those circumstances, it would often not be possible to proceed.

I was very pleased to hear that the police welcomed judicial oversight of the process. They do not want everything to remain in the hands of the police, but approve of "robust judicial oversight" to ensure as much transparency as possible. They cited some cases where district judges had not given the police what they had asked for. Mr. Clarke said:

"It is very often the case that we will ask for perhaps four or five days and the district judge will say, 'No, 48 hours and then I want to hear the case again.'"

That is a frequent occurrence, we were told. He also said that before the police can go to court and ask for a warrant, they often have to

"think very carefully about it and . . . consult the Crown Prosecution Service as to whether it is an appropriate course of action."

Having said that, I certainly agree with the conclusions of Lord Carlile that further safeguards are required. I agree that a more senior judge would be appropriate in the circumstances. Personally, I think that the best way forward is to work towards an investigating judge system—copying the continental European system—where a judge is in charge of an investigation, gives directions and views the evidence. I believe that having a system of specialist prosecutors with specialist judges working together will provide valuable safeguards. I hope that my Committee will look further into that option in the future.

Three months may or may not be the right period for the extension, but the police have certainly made a very cogent case—they certainly did to my Committee. Many of us who heard the evidence last Monday were initially sceptical, but are now less so. For those reasons, Mr. Deputy Speaker, I shall support the Government tonight.

Several hon. Members *rose*—

Mr. Deputy Speaker: Order. I remind the House that only about 50 minutes remain before the winding-up speeches are due to begin. Sixteen hon. Members are still seeking to catch my eye, so it is not going to be easy to find time for them all.

5.40 pm

Mr. James Clappison (Hertsmere) (Con): The hon. Member for Liverpool, West Derby (Mr. Wareing) suggested that the Home Secretary was trying to show with this Bill that he was macho. I believe that it was Mae West who said that, in her experience, men who were macho were not up to mucho, but I think that I can be fairer than that to the right hon. Gentleman.

I fear that I am in danger of fitting the description given by the hon. Member for Sunderland, South (Mr. Mullin), and of being the third hon. Member to speak in this debate to express explicit sympathy for the Home Secretary. I find myself in a great deal of agreement with my hon. Friend the Member for Stone (Mr. Cash), and with the hon. Member for Belfast, East (Mr. Robinson), who speaks on behalf of the Democratic Unionist party. He has as much experience of these matters as anyone in the House, and we should listen to the sentiments that he expresses.

That is not to say that we need not be vigilant in considering this Bill, which has been proposed in response to extreme events. We must always be vigilant in respect of legislation conceived in those circumstances. Moreover, the Bill comes hard on the heels of other terrorism legislation that may affect civil liberties, and we must also take into account the deeply flawed Racial and Religious Hatred Bill, which is passing through the House of Lords at present. All of that combines to give this Government a somewhat dubious record on civil liberties. Yet I find that, this evening, I will be passing through the same Lobby as those hon. Members who support the Government. That is because I think that, on the whole, this Bill is worth having, although it clearly needs a great deal of scrutiny. Two of its provisions, in particular, will need to be changed.

Questions have been asked as to whether all of the Bill is necessary, or whether it is merely a repetition of existing offences. However, I find it hard to see any objection in principle to spelling out the law in relation to the preparation of terrorist acts, to training for terrorism acts, and to the attendance at a place used for terrorist training. Those offences need to be spelled out.

I very much welcome the proposals for the proscription of terrorist organisations. I strongly agree with the general sentiments expressed by the right hon.

Member for Southampton, Itchen (Mr. Denham), the Chairman of the Home Affairs Committee. He made the valuable and powerful point that there are many things besides passing legislation that we must do to reach out to the hearts and minds of those communities in this country that we need to influence. I disagree with him, however, in respect of Hizb-ut-Tahrir. That organisation is more than just a vehicle for eccentric views at the extreme of the political spectrum. Throughout Europe, it has a record of publishing vicious and violent—and often violently anti-Semitic—propaganda. From time to time, it may seek to cloak itself in the guise of peaceful debate, but at other times it expresses hateful and hurtful opinions.

I want to turn briefly to two aspects of the Bill that have attracted particular attention. Some of the problems associated with the offence of glorifying terrorism in clause 1—it was originally clause 2—have been ironed out as a result of the welcome concession that the Home Secretary has made, particularly in respect of the need for intent in the offence. Much more needs to be done, however, and matters as they stand are not satisfactory. That much was demonstrated by the interventions in the right hon. Gentleman's speech from hon. Members of all parties.

We understand what the Home Secretary is trying to get at with the proposed offence but, although he may hit that particular target, I am afraid that he may hit too many other targets as well. In seeking to address the problem that he has identified, he is in danger of criminalising statements that should be part of normal political debate. For example, the right hon. Gentleman was not able to deal satisfactorily with suggestions from various hon. Members that expressions of opinion about Zimbabwe or North Korea, railway lines in Burma or statues in Uzbekistan would be criminalised by the Bill. That needs to be looked at again.

Following the interventions that he accepted, the Home Secretary's final position was that he hoped that the provision would not have the effect that had been described, but I do not see why that should be so. For me, it remains possible that expressions of opinion of the type that I have described would be caught by the Bill. Therefore, I hope that there will be some movement in that respect.

I turn next to the length of detention before charge—a very serious feature of the Bill, which we need to deal with very seriously. When the anti-terrorist branch of the Metropolitan police makes a request for an extension of the period of detention permitted before charge, we must give it serious and sympathetic consideration. It is not a question of our doing automatically what the police request of us. The fact that the police have made such a request is surely not a reason for turning it down out of hand, and we must give it serious consideration.

We are all aware of the fact that grave issues of public safety are at stake, as the letter from Mr. Hayman makes clear. We have to accept that we are facing a terrorist threat of a different order from that in the past—a threat which can have appalling consequences—and we must listen to the police when they tell us that they need therefore to intervene earlier to protect the public.

Against that background we must give the proposals serious consideration. We should remember that Lord Carlile has broadly given them his approval, but we should also remember that a massive extension of the present maximum is proposed, that the present maximum was itself a very substantial increase—a doubling—on the previous limit, and that that increase was allowed only as recently as January last year.

As others have rightly pointed out, when the change from seven to 14 days' detention without charge was made, all the matters that Mr. Hayman mentioned in his letter must have been apparent. The police must have been aware of these matters; we should have been aware of these matters. There is nothing in the letter that tells us something about international terrorism of which we were not aware when the previous legislation was passed. We must have known about those matters then, and we should take that into account as well.

Although in balancing liberty against public safety I am not prepared without hearing more to concede what the police are asking for, I am certainly not prepared to turn their request down out of hand. I therefore hope that we shall give the matter very serious consideration in Committee and try to do the best that we can to balance public safety against the fundamental civil liberty of not being detained for an unreasonable length of time without charge.

I am not convinced by the course proposed by the hon. Member for Winchester (Mr. Oaten) on behalf of the Liberal Democrats—that of charging the person concerned with a lesser charge and then questioning them—because I fail to see just how many of the rights of the accused person would be preserved. The person would definitely face a lesser charge, and may face a more serious charge later. In the meantime the police could continue to question him. All the points made by my right hon. and learned Friend the Member for Sleaford and North Hykeham (Mr. Hogg) about questioning someone for a long time when they are held in detention not knowing their ultimate fate must apply with as much force to the hon. Gentleman's proposal as they do to the Government's. I recoil from the concept of charging someone with a lesser charge rather than the full charge; they should face the full charge at the earliest possible opportunity. So, there are problems with those provisions.

Problems also arise from the operation of the Bail Act 1976. When a person is charged, they are brought before a court, as is their right, but from the point of view of bail the court will deal with them with the lesser charge in mind, and the decision on bail may well go in the person's favour when the police are still investigating them for very serious matters. So I do not think that the hon. Member for Winchester has the answer; he needs to do more thinking.

We all need to approach this issue seriously and to give it very serious consideration. We should not adopt inflexible attitudes at this point. We should be prepared to make concessions on all sides and to strive for a spirit of consensus; to listen carefully to the reasoned arguments on both sides; and to give very serious consideration to our duty both to defend civil liberties and to protect our fellow citizens and ensure public safety.

5.49 pm

Mr. Shahid Malik (Dewsbury) (Lab): Earlier today, my hon. Friend the Member for Tooting (Mr. Khan) was addressed by Madam Deputy Speaker as Shahid

[Mr. Shahid Malik]

Malik. She is in good company, because my mother was watching the BBC Parliament channel last week and saw me referred to as Sadiq Khan. She was not pleased that I had not consulted her on the name change. We are often confused, but I assure the House that we are not twins.

Most hon. Members will agree that since 7 July few places have been challenged as much as my constituency. I was proud to be elected as Dewsbury's MP, but that pride pales into insignificance compared with the pride I feel at the way in which we have responded, as a united community, against the twin evils of terrorism and extremism. However, I am not naive, and the arrest this weekend in my constituency of a young man whom the tabloids have labelled the fifth suicide bomber underlines the need for constant vigilance.

The alleged ringleader of the 7 July attacks was Mohammed Siddique Khan, also from Dewsbury. Many hon. Members will have seen his chilling video on al-Jazeera, in which he blamed westerners like me for the attacks. More than 50 innocent people, including six Muslims, were murdered in the attacks, so let us make no mistake that he meant people like me. Let us be clear that the only people responsible for those heinous acts were Siddique Khan and his twisted associates. Nothing in this world could excuse or justify their vile actions.

I shall touch on the debate about the cause of the suicide bombings. It is true that foreign policy concerns about Chechnya, Kashmir, Palestine and Iraq, coupled with deprivation and the negative portrayal of Islam in the media, have caused frustration and anger among British Muslims. I am often angry and frustrated about injustices at home and abroad, but I do not blow myself up and kill innocent fellow citizens in the belief that I will go to heaven. No Muslim I have ever met would suggest that such actions were Islamic. The lethal ingredient that turns legitimate anger and frustration into hatred and terrorism is an utterly grotesque and perverted interpretation of Islam. That is why I associate myself with the remarks of my right hon. Friend the Member for Southampton, Itchen (Mr. Denham), who talked of debate, discourse and democracy as the vehicle for change in this country.

In my maiden speech, two weeks before 7 July, I said that a modern Britain had no place for extremism of any order, whether it be from Nick Griffin and the BNP or Sheikh Omar Bakri and al-Muhajiroun. I pay tribute to my right hon. Friend the Home Secretary for ensuring that Bakri—a man who caused more damage to the image of Islam than the BNP ever could—is no longer in Britain. I wish only that we could send Nick Griffin with him.

I ask hon. Members to heed the point that we must send a clear message from this Chamber that this issue is not about Islam, but about extremism. The Bill is not about targeting Muslims, but about targeting extremism, whatever shape or form it takes. However, I repeat the concerns that I articulated in the Home Affairs Committee that my right hon. Friend needs to strive to strike the balance between civil liberties and security for our citizens. We must be careful not to exclude the very people whose support is crucial in this struggle.

Mr. Khan: I accept my hon. Friend's point that it is not the intention of the legislation to discriminate against communities. However, the figures on the ethnicity of those people who have been subjected to stop and search under section 44 of the Terrorism Act 2000 leave no doubt that the perception in the community that those so treated are of a certain faith and ethnicity is correct.

Mr. Malik: I fully accept that the police and security services need to do much more to give to those communities the confidence that they are not being unfairly targeted. Indeed, as a former commissioner on the Commission for Racial Equality, I have raised that issue on number occasions.

The Home Secretary recognises more than most that legislation on its own cannot create the kind of society that we want. Our battle must also be one to win the hearts and minds of all decent Britons. That is why I applaud the seven working groups that he has set up to deal with the environment that can fuel extremism and foster terrorism. I also applaud his decision to chair the commission on integration and cohesion, which has the potential to do much good.

Although it is absolutely right that we focus on young Muslims in our inner cities who feel alienated and isolated and are ripe for exploitation by extremists, it is equally true that young white men in our peripheral estates also feel alienated and isolated, albeit for different reasons, and are similarly ripe for exploitation by far right-wing groups. We ignore their needs at our peril. However, the debate is about legislation, and like many hon. Members I have much sympathy with the Home Secretary's intentions in introducing the Bill.

To those who would say that introducing these laws is a sign that the terrorists have won, I say that they have the luxury of expressing that view. Our role in the House is to guard against such self-indulgence and to prioritise the protection of our people in the face of a new and lethal threat. Since 7 July, this country has changed. Our world has changed, and I accept that we must respond to the challenges that that change presents. I do not believe that anyone can be happy with the prospect of introducing legislation under such circumstances, but it is essential that we now re-examine the balance between liberty and security and between rights and responsibilities.

Greg Mulholland (Leeds, North-West) (LD): I thank the hon. Gentleman for the way in which we were able to work together as two of the hon. Members whose constituencies were affected by what happened in the summer, but I want to ask him a direct question. Does he not agree that there is real concern in Muslim communities above all specifically about clause 23 on extending the period of detention to 90 days? Is that not a real problem?

Mr. Malik: I agree that there is such concern not just in Muslim communities but throughout the country.

I have talked about the balance between liberty and security, and I am very clear about one thing: in the struggle between competing rights, the right to life is

paramount. It is our most precious freedom, and it must be defended. Like most hon. Members, I do not take lightly the prospect of enacting legislation that could imprison a person for up to 90 days without charge—I am most uncomfortable about that—but I am aware that, after 7 and 21 July, the police amassed some 38,000 exhibits and 80,000 CCTV videos, which needed to be monitored and examined. Hence, in exceptional cases, there is plainly an argument for increasing the current 14-day maximum pre-charge detention. On that point, I disagree with the hon. Member for Winchester (Mr. Oaten) and agree with the hon. Member for Belfast, East (Mr. Robinson).

The question for the House is not whether an increase is needed, but whether 90 days is justifiable. I am not 100 per cent. convinced, but there is some reassurance in the fact that Lord Carlile, the independent reviewer of terrorist legislation, is a strong supporter of the Bill, and that extending the pre-charge period will require judicial review every seven days. I also draw comfort from the fact that, over the past two years under the current laws, only 11 people have been held for the full allowable period and all 11 were charged. That suggests that the new legislation will be used sparingly and only where the likelihood of charges being brought is high.

I welcome the amending of the draft legislation and the incorporation of the element of intent into the offence of glorification. That is most helpful. On a connected note, during the election in Dewsbury, I was plagued by both the BNP and Hizb ut-Tahrir. I should love to ban them both, but while they refrain from overtly promoting violence, our battle with them must be one of ideas.

I urge everyone in our communities to support the police and the security services in their fight against the evil of terrorism. They cannot win that battle alone. We all have a responsibility as communities and individuals, which is why I am happy to say that over the past few weeks I have passed on information to the authorities about possible terrorist activity. I shall continue to do so. A handful of people in the Muslim community may say that that represents a betrayal of Islam, but I regard it as a fundamental act of Islam.

6 pm

Greg Mulholland (Leeds, North-West) (LD): Everyone in the House will remember 7 July for a long time, but I will never forget 12 July for as long as I live. At about 11.30 on that Tuesday morning, I received a text message from a council colleague in Leeds. He told me that helicopters were hovering over a property in the Hyde Park area of my constituency, police were carrying out an armed raid and that I should return as quickly as I could. I was at the police cordon by 4 pm that day, in a community with a deep sense of shock. I am delighted to say, however, that the community's response was magnificent, as I am sure it was in Dewsbury. We must emphasise that point. The communities of Hyde Park, Beeston and Dewsbury have been united in both their condemnation of the appalling events of 7 July and their real resolve to move forward as united, diverse, multicultural communities.

We have to accept that the Bill is before the House largely as a result of the appalling reality that four young men from west Yorkshire decided to go to their capital city and blow themselves up. A week after 12 July I visited all the homes where families had been evacuated due to the bomb factory in my constituency. I spoke to constituents who had been affected to reassure them and to get a sense of how they were feeling.

I had a conversation with a Muslim mother who told me, "We are scared". I replied that I could understand that but she said, "No, you don't understand". She told me that they were scared not only about a backlash and reprisals from far-right groups such as the BNP, but also because they thought that the Government would brand them all as terrorists.

I am glad to say that the Hyde Park community and my party are united about the parts of the Bill that we genuinely feel will go a long way towards helping to prevent repetitions of 7 July, but some things are causing real concern. People feel that clause 1 will prevent debate about things such as the occupation of Iraq by British and American troops, and about Palestine and Chechnya. They are also deeply concerned about deportations to countries that practise torture, whatever bits of paper people may be given. Most of all, they are concerned about the provisions—to which we object—to detain people without trial for 90 days. From my experience of the community perspective, I can tell the House that those provisions are seen as draconian, dangerous and deeply divisive. They are divisive because, as was said earlier, we all know who will be detained for 90 days without trial. They will be members of communities such as ours who are Asian or Arabic-looking.

The whole investigation into the property in Alexandra grove, which briefly became one of the most notorious addresses in the world, showed the real dangers that exist. Within days of the discovery, three different suspects had been tried and found guilty by the media. The Egyptian, Dr. el-Nashar, was unable to return to his home and job at Leeds university because as far as everyone was concerned, he was guilty. I pay tribute to the intervention made by the hon. Member for Beverley and Holderness (Mr. Stuart) in which he pointed out the real dangers of confusion and the fact that people will live in fear of being detained, although they are entirely innocent.

Lynne Featherstone (Hornsey and Wood Green) (LD): Does my hon. Friend also agree that while the power is disproportionate, it could also be used in error? The authorities always say that they know when someone is guilty, but if they are to hold people for 90 days, what would they say to the Birmingham Six, the Guildford Four and Judith Ward, all of whom were accused of being terrorists, but were innocent?

Greg Mulholland: My hon. Friend makes a good point. I am pleased to be participating in a debate of such quality.

There was a failure of intelligence on 7 July and all the legislation in the world would not have prevented what happened. I am sure that all those who represent communities that were directly affected by the events in the summer and the revelations of their links with west Yorkshire would agree—I hope that we would all reach this conclusion—that the solutions to address what happened on 7 July must come from those communities.

[Greg Mulholland]

The message is simple and clear. I cannot understand the strange conclusion that the hon. Member for Belfast, East (Mr. Robinson) reached, but I agree with and welcome the conclusion of the hon. Member for Liverpool, West Derby (Mr. Wareing). Yes, there are aspects of the Bill with which I and the community that I represent agree. However, other measures in the Bill, most notably clause 23, which will allow the detention of people for up 90 days—or three months, which, as the right hon. Member for Haltemprice and Howden (David Davis) pointed out, is the equivalent of a six-month prison sentence—are creating fear in my community. The provision is already causing division, mistrust and fear. The clause is too serious to allow me to vote in favour of the Bill, so I am pleased to say that I shall not do so, and nor will my party and many hon. Members on both sides of the House.

6.8 pm

Richard Burden (Birmingham, Northfield) (Lab): I join my right hon. and hon. Friends and, indeed, Opposition Members in complimenting the Home Secretary for the way in which he has gone about the debate and the spirited dialogue that he has undertaken. That said, there is something a little circular about some of the arguments that have been put forward in support of several of the more contentious aspects of the Bill. They almost seem to suggest that because we are dealing with a new kind of terrorist threat, the more uncompromising the apparent response, the more effective that response will be. I do not necessarily agree that that is the case.

We must try to work out what we can do to minimise the chance of actions such as those in July from happening again. Part of that will involve determining the most effective methods of investigation and the most effective ways in which we can bring to justice those who commit, or are preparing to commit, such offences, but we must also ensure that we win over people—they are often young people—who have a sense of grievance so that they do not adopt such actions and violence as a means of protest, or because they feel that that is a way of achieving change.

Part 1 of the Bill and other relevant provisions are profoundly deficient and may well achieve precisely the opposite of what Home Secretary wants them to achieve. It is already illegal to incite others to commit terrorist acts. Now, however, the Government are asking us to approve legislation that will lock people up for seven years if they say something that "glorifies" terrorism and can be held indirectly to encourage it. Those are sweeping powers. They are directed not at what people do but at what they say, so we would expect to have to be careful about the way in which we define glorification and terrorism.

Many hon. Members have talked about the deficiencies in the catch-all definition of terrorism with which we are working. The example of the African National Congress in South Africa is a good one. Equally, however, if someone incited or encouraged a Government to launch a military attack on another country to achieve a political objective such as the removal of a tyrannical regime, that would be considered terrorism under the definitions in the Bill and in the Terrorism Act 2000. Presumably politicians who encouraged a Government to take military action against a tyrannical regime would be guilty of terrorism. If that is the case, a number of hon. Members—not me, I should add—would be caught by the provision.

Ministers are asking us not to worry our heads about these things, as the new law will not be applied indiscriminately. They say that the Director of Public Prosecutions will look at the "context" of each case and the public interest. That is not very reassuring. It sounds as if we may try to prosecute individuals who glorify politically motivated violence by people of whom we do not approve but that we may turn a blind eye to statements in support of political violence committed by our friends. It is precisely the perception of such double standards that has contributed to the scepticism with which many people, particularly in our Muslim community, view the much-vaunted war on terror. One does not have to be a supporter of Hamas or even a sympathiser to worry that someone could be locked up in this country for suggesting that Palestinians might be justified in using some form of political violence to resist the occupation of the west bank.

Mrs. Ellman: *rose—*

Mike Gapes (Ilford, South) (Lab/Co-op) *rose—*

Richard Burden: Because of time constraints, I will give way only once, to my hon. Friend the Member for Ilford, South (Mike Gapes).

Mike Gapes: I would be grateful for clarification. Is my hon. Friend saying that people who advocate the blowing-up of buses, bars and schools are not inciting or glorifying terrorism? Is that acceptable?

Richard Burden: No. I said exactly what I meant. I condemn anyone who advocates the blowing-up of buses or any attack on civilians. The Bill, however, does not just include such acts but any act of political violence. As I said, I am worried that someone could be locked up for suggesting that Palestinian political violence is justified. We should debate that, as only a few weeks ago an Israeli general accused of war crimes—whether justifiably or not, I do not know—was discreetly spirited out of the UK to avoid an arrest warrant. There have even been rumours of unofficial diplomatic apologies to Israel for any embarrassment that may have been caused.

I am not condoning in any way the use of terrorist violence in the west bank or Gaza. Indeed, I spend a great deal of time arguing with people who do so because I think that such arguments are a worthwhile exercise. I am told that conversations that others and I have had may have played a part, albeit a small one, in helping to achieve certain ceasefires. But what the Bill tells me is that there is no place for that kind of dialogue. It asks me as a legislator to criminalise someone not for committing the act of violence, but for offering an opinion that may seek to justify it. By banning things or outlawing them, one will not necessarily stop them.

If one talks to people who know about the dynamics of different forms of political Islam, they will say, and have said in meetings in this place, that the danger of

clause 1 and related clauses—my right hon. Friend the Member for Southampton, Itchen (Mr. Denham) put it very well—is that they will end up grouping together those who support the use of violence to achieve limited political aims, even if I do not agree with those political aims, because they believe, perhaps wrongly, that there is no alternative, with those whose perverted and apocalyptic view of the world sees some kind of Zionist-crusader conspiracy as the root of all evil, and who say that any kind of slaughter anywhere in the world is justified to confront that supposed conspiracy.

Are we more likely to save one more innocent life by lumping those two political outlooks together, or are we more likely to save lives if we are prepared to distinguish between them—between those whom we might just stand a chance of diverting from the path of violence, and those whom we simply have to fight? Those who incite, organise or commit the kind of atrocities that London experienced in July should be held to account for those crimes, but we also have a responsibility to try to help prevent similar atrocities from taking place in other countries.

I realise that the argument that I am advancing may be unfashionable in some quarters. I am sure it would be unfashionable in the neo con world of US Patriot Acts or the easy division of the world into goodies and baddies, usually defined as goodies being "us", and baddies being "them". However, we also need to tackle the complex web of causes of grievances that end up leading—yes—even to the slaughter of civilians, whether by Governments, which I would condemn, or by terrorist groups, which I would equally condemn.

We are in danger of making matters worse if we introduce laws that are so open-ended that they outlaw debate, even an uncomfortable debate, or are applied so selectively that they seem to be targeted on only one section of our community. My hon. Friend the Member for Ilford, South should realise that under the definitions in the Bill, if I, or anybody else, sought to justify Palestinian political violence, I would be caught by the Bill. If somebody stood up in the House and sought to justify the bulldozing of a Palestinian home suspected of harbouring terrorists by the Israeli army, they would be also be committing an offence under the Bill.

In dealing with the problems in the middle east and working out how we can most effectively contribute to a just peace there, we can do rather better than trying to lock each other up because we happen to hold one view or another view. That is why I am profoundly worried about the first part of the Bill and related clauses. The Government will not get my support tonight. I may not vote against the Bill, but they will not get my support. I hope they will listen to the arguments and rethink the clause before Committee and Report, because it will do nothing to defeat the causes of terrorism, which is what we should aim to do.

6.19 pm

Mr. Tobias Ellwood (Bournemouth, East) (Con): I was looking forward to hearing the Government's plans for dealing with international terrorism. I take a personal interest in the subject, having lost my brother in the Bali bombing, as the House may be aware. I am concerned, however, about what is in the Bill, what is not in the Bill, and what is part of an entire strategy that the Government should be putting together to deal with an international issue, not a local issue.

The Bill is supposed to be the cornerstone of how we deal with international terrorism. How would it or could it have prevented the bomb that went off on 7 July?

I do not understand why we are not addressing the fundamental issue of why British citizens decide to kill other British citizens. The Bill does not address that and I should like the Minister to comment on that.

Time is limited and others wish to speak, but I want to focus on two issues that concern the international scene. We understand that no matter how much legislation we create in this House or anywhere else, it is virtually impossible to stop an attack taking place. However, I have spoken to the survivors and the families of the victims of the Bali, Turkey and Sharm el-Sheikh disasters, and there is a frustration that the energy and determination that has been expended to fight terrorism here in the UK is not matched by other countries around the world. That is reflected in the fact that a second bomb has gone off in Bali. Bali itself, or Indonesia, has yet to condemn—to outlaw—Jemaah Islamiah, the terrorist group responsible for the first and second bombings. Those countries need our help and support, and if we are to have a strategy to deal with international terrorism, we should be at the forefront of helping such countries, whether they be in the middle east, Indonesia, Afghanistan or Pakistan.

The other concern that has been expressed is that the energy and determination to prevent a bomb from going off in the first place is not matched by the commitment and support to the victims. With regard to compensation, will the Minister update us on the position regarding those affected by 7 July? There is also a recognition that terrorism knows no borders, and neither should our support for British citizens, no matter where the bombs take place. Yet, because the Criminal Injuries Compensation Authority refuses to acknowledge any events that take place abroad, although people in Bali, Turkey and elsewhere have been killed by the same terrorist organisations, they do not get a penny in compensation from the Government.

Terrorism is unlikely to disappear. In fact, it is likely to get worse with the use of nuclear, possibly biological and perhaps chemical weapons as well. If the Bill is supposed to be the platform to contain, stop and eradicate terrorism, I find it wanting. We need to give more help to those people where the blanket of security that we are trying to create is failing. We face the challenge of breaking down the religious divide that these terrorists are trying to widen not only here in the UK but in other parts of the world.

There is little in the Bill to prevent the conveyor belt of the disillusioned from being recruited by the terrorist. We could be doing much more not only in the House but as a nation and on the international scene to improve our prospects in fighting the battle against terrorism.

6.22 pm

Mr. Mark Hendrick (Preston) (Lab/Co-op): The 20th century was a century in which this country had to deal with the challenges faced by the "isms" of communism and fascism. The people of this country

[Mr. Mark Hendrick]

were threatened by evil ideologies from abroad that were totalitarian in nature and that threatened the country with the conventional military might of armies, air forces and navies.

In the 21st century, we must deal with the challenges of globalisation and terrorism. Some months ago, I might have said international and global terrorism, but since 7 July, the fact that we witnessed here in London terrorist acts perpetrated by British citizens has moved the goalposts, and as the Prime Minister put it, the rules must change. The threat that we face is totalitarian in nature, but guerrilla-like in its methods.

Again we face an evil ideology from abroad, a perverse extremist form of Islam. It is as extreme and perverse as some of the right-wing white supremacist sects in the United States, but it is one that has now chosen to wage war with any religious or racial group that does not follow its teachings.

The hon. Member for Stone (Mr. Cash), with whose views I often disagree, particularly on Europe, was the first hon. Member, despite the hours of debate, to describe this as a war. Al-Qaeda is waging a war on secularism, tolerance, and racial and religious harmony. It is waging a war on Muslims in Iraq as well as on the people of all faiths and races from places as far apart as New York and Bali and as near as Madrid and London.

The world in which we live is changing by the day. Affordable international air travel, the internet and even digital mobile phone technology have become the means of delivery of the poison of these people's ideology or the power of their explosives. The threat had to be faced and I believe that the Bill is part of the developing armoury of legislation that must be deployed to counter the threat and provide for a more secure Britain.

Today's British society recognises the need for this legislation. Some civil liberties groups, Opposition Members and colleagues have genuine reservations about parts of the Bill, but I have none. Since the fall of the Berlin wall in 1989, we have had the benign 1990s. Britain, and Europe in general, with the exception of the Balkans, have enjoyed relative peace and stability. Until 11 September 2001, we had come to expect economic growth, high employment, low interest rates and modern creature comforts as things that we all deserved, and the vast majority of people had hopes, expectations and a general feeling of security.

Today, however, people have fears as well as aspirations because of the nature of the threat that we face. The Bill deals with those threats in a balanced and reasonable way that is a large step in the right direction. In order to stop the spread of this poisonous ideology, the glorification of terrorism is to be outlawed, as is praising or celebrating terrorist acts: good, I say.

Mr. Winnick: My hon. Friend and I share a common view about the dangers that we face, but did I hear him correctly? Does not he have a single reservation about the Bill?

Mr. Hendrick: My hon. Friend did hear me correctly, and if he will allow me to continue he will find out why.

Some Members have said, "What about praising the ANC or movements in Palestine, Burma or elsewhere in the world?" It is clearly justifiable to support, praise and celebrate the aims and objectives of many such movements, particularly when they are oppressed by regimes that deny them their land, liberty and freedom of speech, without necessarily supporting all their methods in trying to achieve those aims and objectives. I want a stable and secure Palestine based on the 1967 boundaries, but I would never praise or celebrate the terrorist methods of Hamas or the former atrocities of the PLO. If oppressed opposition groups in countries around the world who have just cause choose to resort to terrorist methods because they have lost their land, liberty and freedom and have no vote, I would not celebrate, support or try to justify those terrorist actions.

That is not to say that if change occurs in a country as a result of the use of terrorist methods, I would not accept that the new regime may—or in some cases may not—be better than the old one. I would not seek to justify the means by which it had gained power, but be content with the outcome. I have never believed that the ends justify the means. In a situation where a regime is persecuting people, self-defence is legitimate. Wars or UN resolutions-based actions against regimes are legitimate. As for what remains on the consciences of people in other countries in determining how they attain their freedom, I, and for that matter many Governments, have little power over that. However, where there are interventions and military actions such as in Afghanistan and Iraq—conflicts where genocide has been averted—and conflicts that involve the UN, we can hold a view that celebrates and justifies armed struggle against the oppressors, and would justifiably not describe actions against the regime in question as terrorism.

Let us say that the tube train that exploded in an underground tunnel on 7 July was activated by a timing device left by someone who had left the train instead of a suicide bomber, and that the suspected bomber had later been apprehended by the police. It could take months to acquire the forensic evidence to convict the suspect, as the tunnel could have completely collapsed, with a risk to rescue workers similar to that which we saw on 7 July. Finding a fingerprint on something left by the bomber would be like finding a needle in a haystack and would take longer than two weeks.

The stakes are now so high that half measures will not do. The nation looks to us to safeguard its security. If the Bill is not passed in something that relates to its current form and—God forbid—another atrocity on the scale of 7 July occurs because a detained suspect is released after a few weeks, despite the fact that he remains under suspicion on good intelligence grounds, we would have to live with that knowledge for the rest of our lives.

6.29 pm

Mr. Dominic Grieve (Beaconsfield) (Con): The debate has been fascinating, especially because of the range of views that have been expressed and the lack of certainty about the direction from which a different view would be voiced. It must be apparent to the Government that they face a major challenge over the Bill. The tenor of

the contributions shows that many hon. Members feel the most serious disquiet about the impact of the proposed legislation on civil liberties in this country.

Anne Main (St. Albans) (Con): I am pleased to hear my hon. Friend echoing the fact that many of us do not support the Government. I am sure that he will assure me that we lend support for the Government's returning with a much better Bill. We cannot and will not support loss of civil liberties and of freedom of speech.

Mr. Grieve: I assure my hon. Friend that that is our intention. I shall revert to that shortly.

Powerful contributions have been made. My right hon. and learned Friend the Member for Sleaford and North Hykeham (Mr. Hogg), who said that he was unable to support the Bill, voiced serious doubts about its operation and highlighted the fact that the provisions are so widely drawn that they would cover expressions of opinion. Most people would regard it as improper to criminalise those.

My hon. Friend the Member for Aldridge-Brownhills (Mr. Shepherd), in another powerful speech, clearly expressed his anxiety that a wide range of legislation, which the Government could use, already exists to cover incitement. He thereby cast doubt on the necessity for clause 1. Those doubts were echoed by the hon. Members for Sunderland, South (Mr. Mullin) and for Liverpool, West Derby (Mr. Wareing) and the right hon. Member for Oldham, West and Royton (Mr. Meacher), who made a powerful speech about his anxiety that, far from improving community relations in this country, the Bill would undermine them.

John Bercow: As one who did not make a powerful speech, or, indeed, have the opportunity to make a speech at all, I stress that many colleagues are simply not prepared to support the Bill at this stage because it contains too broad a range of powers, which are too vaguely defined and threaten too much damage in return for too little benefit. It is quite simple.

Mr. Grieve: My hon. Friend makes up for the lack of opportunity to make a speech with a characteristically powerful intervention. I do not disagree with the anxieties that he expresses, although I shall try shortly to explain why I personally feel comfortable in supporting the Government on Second Reading.

Hon. Members who, broadly speaking, believe that the Bill is worthy of support and that there is good in it, made some important contributions. I was especially struck by the speech of my hon. Friend the Member for Hertsmere (Mr. Clappison) who provided a reasoned analysis and powerful arguments for why he believed that the period of detention would have to be extended from 14 days. He was joined by the hon. Member for Hendon (Mr. Dismore) and I listened carefully to the comments of my hon. Friend the Member for Stone (Mr. Cash), who always approaches our deliberations from a different angle. Nevertheless, we have to consider it.

The hon. Members for Dewsbury (Mr. Malik) and for Birmingham, Northfield (Richard Burden) and the right hon. Member for Southampton, Itchen (Mr. Denham) had a great deal to say about community relations. That must be a starting point. There is no point in the House legislating ad nauseam to create new structures to try to stop terrorists, because we know very well—I am sure that the Home Secretary will be the first to acknowledge this—that the way to stop terrorism in the long term involves two things. The first is adequate security. The second is pinching terrorism out at its source by making it completely unacceptable in any section of our community. Those must be our two aims, but I have to say to the Home Secretary that the Bill does not address either of them, because it looks specifically at the legislative functions by which a greater penal policy can be directed towards the issue.

Ms Abbott: Does the hon. Gentleman agree that the Muslim community is united against terrorism, but expressing great unhappiness about the Bill? Its members have followed the Bill with considerable attention and believe that it is targeted at them. Given the concern in the community, is not the fact that the Bill contains a provision for 90 days' detention without trial unlikely to create the kind of community co-operation that will help us to fight terrorism?

Mr. Grieve: I do not disagree with the hon. Lady. What worries me particularly is that the 90-day period appears to have been plucked out of the air with very little justification. During the passage of the Bill, the Government are going to have to engage in a proper dialogue with Members of the House to explain why 90 days is an appropriate period, as opposed to 16 or 28 days, six months, or anything else.

The Conservatives do not wish to get involved in a Dutch auction with the Government. Our question is: why should there be an extension from 14 days, which already represents a considerable extension of the existing practices? Are there any alternatives that might make it unnecessary to extend the period at all? We shall listen to the Home Secretary and other Ministers to establish whether they can come up with any coherent arguments as to why the period needs to be extended. However, any extension of the period beyond 14 days will, as my right hon. Friend the Member for Haltemprice and Howden (David Davis) rightly said earlier, have the capacity to create martyrs. There would be nothing worse for community relations than individuals being released from custody without charge after six weeks of detention. I cannot think of a better recruiting sergeant for terrorism or disaffection.

The problems faced by the Government start with the definition of "terrorism". I accept that we adopted a definition in the 2000 Act that may have been appropriate—I emphasise the word "may"—in the context of domestic terrorism in the United Kingdom. However, one of the effects of the Bill will be to extend it to a worldwide definition. I hope that the Home Secretary will have taken on board from today's debate the fact that the definition is now completely unacceptable, unless we are saying that violence for political ends can never be justified in any circumstances. If that is the case, I have to say to the Home Secretary that I am not quite sure what we are doing in Iraq. We must face the fact that we have long accepted that there may be occasions on which such justification exists.

Alan Simpson: The hon. Gentleman will recall the debate in the House two weeks ago about the extension of the list of proscribed organisations. Included on that list was the Islamic Jihad Union in Uzbekistan. Many Members raised concerns about the inclusion of that organisation and, a matter of days later, the former UK ambassador to Uzbekistan wrote in *The Guardian* that there was no basis for substantiating the allegations that had been made about it, that they had come from the Uzbek Government and that we had no embedded intelligence sources of our own in the region. Does the hon. Gentleman accept that the provisions relating to encouragement in the Bill would place hon. Members in an invidious position, in that, if we sought to defend an organisation that had been improperly proscribed as a terrorist organisation, we would be committing a terrorist offence under the encouragement provisions?

Mr. Grieve: As drafted, the clause presents precisely those difficulties. While I have some sympathy with the Government in trying to consider the issue of terrorism generally, the fact is that the definition provided is hopeless to meet the problems for which we must legislate. Furthermore, as has been highlighted, clause 1, in relation to incitement, provides for an offence that can be committed negligently, not an offence of specific intent. Therefore, when those two factors are taken together, a very large number of people in this country are likely to be criminalised for their comments.

Let me make one thing clear to the Government: the suggestion that it does not matter that the legislation is woolly, because either the DPP or the Attorney-General will act as a long stop to prevent something wrong from happening, is just not acceptable. The task of this House is to pass legislation that is intellectually coherent and intelligible, not to give a blank cheque to the Government, which they can exercise through the Law Officers or anyone else at their whim.

We do not think that the offence of glorification should be in the Bill at all. I know that it was even worse in the first draft of the Bill, and I am grateful that the Home Secretary seems to have persuaded the Prime Minister to give way on the matter. One is left with the impression, however, that it has been left in the Bill specifically to save the Prime Minister's face. That is not acceptable either. Either glorification amounts to incitement of its own, or it does not amount to incitement at all. If it does not amount to incitement at all, there is no reason why it should be separately identified within the legislation. The sooner that we have an assurance from the Government that it will be removed, the better progress we will make during the passage of the Bill.

The second issue that has greatly exercised the House is that of the 90-day detention period. As I said a moment ago, there are ways in which we believe that the issue can be considered afresh. There are a number of possibilities. We certainly need much better scrutiny, as was suggested by Lord Carlile. The decisions should be taken by a senior circuit judge and not by a district judge, to which we shall return in Committee. There should be a review mechanism and an appeal process to the High Court, and I am dubious that seven-day periods are acceptable, because the judge should decide the period before a return, and the only basis for any continuing detention would have to be persuading the judge that there is a reason, in the next three, four or 72 hours, that that detention will yield benefit.

It is also astonishing that one of the provisions under the detention clause is that detention can take place in order to facilitate continuing questioning and nothing else. One moment's thought must make the Government realise that that is an unacceptable premise. In fact, any confession that is obtained will probably be thrown out by the court. The atmosphere of oppression that will be conveyed—that somebody can be detained specifically for the purpose of questioning and interrogation on its own—is one that is readily curable.

Although I have no difficulty in agreeing with large parts of the Bill, much of it is very sloppily drafted. In relation to the dissemination of terrorist literature and publications, are we seriously saying that the offence will be so widely drafted that a university lecturer handing out copies of an al-Qaeda manifesto to his students would be caught by the operation of the Act? The Home Secretary shakes his head, but as drafted, that is precisely what the legislation does.

There is much to criticise, but there is a kernel in the Bill that seeks to improve anti-terrorist powers. We accept that, which is why, in principle, we are prepared to support the Government. We are also mindful that the Government have provided a proper opportunity for the House to consider the legislation, in Committee of the whole House, a proper Report stage thereafter, and most importantly of all, a Third Reading that will be more than a 45-minute rubber stamp.

For those reasons, let me, first, thank the Home Secretary and, secondly, say that we intend to engage in a constructive dialogue. However, I also ask the Home Secretary not to end this process by saying that amendments will be tabled in another place. Either the Bill is in an acceptable condition by the time of Third Reading or it will not have our support, and—according to my impression—will not have the support of many Members in all parts of the House.

The challenge is with the Government. We intend to work co-operatively with the Home Secretary, but I must tell him that there is a great mountain to be climbed before the Bill is in an acceptable condition.

6.45 pm

The Minister for Policing, Security and Community Safety (Hazel Blears): We have engaged in a good and serious debate, and we have heard a range of different views expressed from all parts of the House. The issues that we have discussed are not appropriate ground for political point-scoring, and we have not heard any today. I hope that the debates in Committee and on Report will feature the same constructive tone.

We are all struggling to reconcile the issues of security and liberty. How, in our free democracy, do we protect our citizens from harm while at the same time protecting the fundamental values that are so precious to every Member of Parliament? How, in particular, do we protect our freedom to speak, and to debate serious ideas on which we have deeply opposing views, while maintaining a sense of respect and upholding the right of decent people to go about their business in peace and safety?

I ask Members to remember what happened on 7 July. More than 50 innocent people were murdered by terrorists who did not care how many innocent people they killed. More than 700 people were injured, many of them seriously, and their whole lives will be affected. I say that not in order to make my arguments easier to present, but because it is always in my mind as we struggle to get the balance right.

We are not talking about a theoretical situation. This is not an academic debate. The threat is real. We have been attacked, and we must now find the best way in which to protect the people of this country, while upholding and strengthening our values.

Clare Short: Does my right hon. Friend agree that before 7 July the worst mass-murder terrorist attack on civilians was the Birmingham pub bombing? Immediate anti-terror legislation followed, and then the wrong people were arrested, although they were given a full jury trial. There is no doubt that in my city, the alienation of the Irish community that resulted from all that created a breeding ground for sympathy for terrorist activity in Northern Ireland. Does my right hon. Friend believe that we are remembering the lessons of those events?

Hazel Blears: I absolutely believe that we have learnt the lessons. Of course we must have safeguards in our legislation, but we must also have legislation that gives us the necessary powers to disrupt terrorism, to prosecute more terrorists, and to bring terrorists to justice within a proper legal system and according to the rule of law.

The Bill contains much that is good, but inevitably today's debate has focused on the clause 1 offence of encouragement to commit terrorism and the extension of the maximum period of detention in clause 23. I emphasise "maximum period of detention". I shall respond to as many points as possible, but I shall not be able to deal with all of them. We shall have a good opportunity to debate them in Committee.

The right hon. Member for Haltemprice and Howden (David Davis) said that we should scrutinise the Bill and that there should be challenges, scepticism and questioning. That is what the House is good at, and I think that we will end up with legislation that is practical and effective. My right hon. Friend the Member for Torfaen (Mr. Murphy)—I pay tribute to his extensive experience in Northern Ireland—said that the events of 7 July were unprecedented in our country. Like many other Members, he recognises that the terrorist threat that we face now is significantly different from the Irish threat in many ways. I agreed with his sensible and practical observations.

I was grateful to the hon. Member for Winchester (Mr. Oaten) for his acknowledgment of the way in which we have approached the issue. We are trying to secure consensus. I am disappointed that the hon. Gentleman and his party are to vote against Second Reading, because I genuinely do not believe that that is the right approach. If the hon. Gentleman is worried about clause 1 and the extension of the period of detention, he can debate those matters in Committee. The Bill contains a range of measures that will protect the people of this country.

The hon. Member for Winchester said that in his view, there are alternatives to the 90-day limit that will work. We will explore them in Committee, but I point out to him now that the idea of charging suspects with a lesser offence has some serious faults. First, it is dishonest. Charging somebody with a minor offence simply as a ruse to keep them in custody is not the right thing to do. Secondly, it might not work. In order to get the evidence for the lesser offence, it might be necessary to decrypt a computer, which would take longer than the period in question in any event. Such an approach could also be inefficient and divert police resources towards dealing with minor offences, when they should be concentrating on the major offences in question. Indeed, such an approach could prove dangerous. Someone could be let out on bail because they were charged with a lesser offence, and then commit further offences. However, we will explore all those issues in Committee.

My hon. Friend the Member for Manchester, Central (Tony Lloyd) raised issues relating to the offence of glorifying and encouraging of terrorism. I point out to all Members that if we seek to make a distinction between good terrorism and bad terrorism, we will get into very dangerous territory. Terrorism is wrong. We should not encourage people to kill, murder and maim others, even in the interest of political change. That will prove a really important dividing line as we continue our discussions.

John Bercow: The argument is not about the distinction between a good terrorist and a bad terrorist; it is about whether there is a distinction—as many of us believe there is—between a terrorist and a freedom fighter, and if so, what that distinction is. Does the Minister not acknowledge the difference?

Hazel Blears: What we have is a definition of terrorism, and if somebody is guilty of terrorism, they are guilty of terrorism. The path on which the hon. Gentleman is embarking in seeking that dividing line will lead him into significant and considerable difficulties; but we shall see.

The right hon. and learned Member for Sleaford and North Hykeham (Mr. Hogg) also dealt with the offence of encouraging terrorism, and he said that such an offence could amount simply to somebody being offended by something that was said. This offence is not about offending somebody. It has to be likely that those hearing the statement in question will be encouraged to emulate terrorist acts; that is a world away from having a debate and simply saying something that somebody does not agree with.

Mrs. Ellman: Does the Minister agree that the carnage that happened in London is part of a global activity, and does she agree that inciting and glorifying the murder of civilians in Iraq or in Israel is incompatible with claiming to be against the committing of the very same acts in this country?

Hazel Blears: Yes, and my hon. Friend puts the point extremely well. This Bill is about saying that terrorism, wherever it occurs, is wrong. People should not murder, maim and kill others in any context.

[Hazel Blears]

My right hon. Friend the Member for Southampton, Itchen (Mr. Denham) made the absolutely valid point that legislation alone will not resolve the problems that we face. It is about winning hearts and minds, good policing, effective community relationships and better intelligence. But I say to him and to my hon. Friend the Member for Manchester, Central that we need to think very carefully about this issue. If we are to limit terrorist offences simply to civilians, will that suggest that it is legitimate to attack police officers and innocent members of the armed forces? That is a very difficult distinction to make, but we will explore it in Committee.

The hon. Member for Aldridge-Brownhills (Mr. Shepherd) made his usual passionate speech on this issue; he will doubtless participate in our subsequent debate. My right hon. Friend the Home Secretary should have allowed the hon. Member for Stone (Mr. Cash) to intervene. He spoke in favour of the Bill, and I was grateful for his emphasis on ensuring that our measures are proportionate to the threat that we face.

I was disappointed by the points that my hon. Friend the Member for Sunderland, South (Mr. Mullin)—he is not in his place, but he apologised to me in advance for his absence—made about the police. He said that if they could use a longer detention period, they might sit on the records for 30 or 40 days. If he had personal knowledge of the work that the police have done since 7 July—of the effort that they have put into the investigations, and the thousands of hours of CCTV footage that they have examined—he would realise that they are not likely to sit on documents for that long without taking action. Of course they are keen to minimise the detention period.

I welcome the support of the hon. Member for Hertsmere (Mr. Clappison) for the Bill's provisions. He has some concerns, and I am sure that we will debate them in Committee. My hon. Friends the Members for Dewsbury (Mr. Malik) and for Hendon (Mr. Dismore) made extremely good speeches. I am particularly grateful for the action of my hon. Friend the Member for Dewsbury in supporting his local community and for the stand that he has taken on these issues, sometimes in difficult circumstances.

I welcome the support of the hon. Member for Belfast, East (Mr. Robinson) for the measures in the Bill and I look forward to debating it further with him.

My hon. Friend the Member for Hendon, who is now Chairman of the Joint Committee on Human Rights, has looked at these issues in great detail and I welcome what he said about the Bill representing a proportionate response in human rights terms. I greatly welcome his support.

The hon. Member for Leeds, North-West (Greg Mulholland) made a telling contribution about his shock at the events of 7 July. I have been out on many visits to the Muslim community across the country, including Leeds, and I found some excellent work going on to bring people together to face the threat.

I entirely agree with my hon. Friend the Member for Birmingham, Northfield (Richard Burden) about the importance of keeping engaged with young people. Together with the Muslim community, there are now seven groups working with women and young people to tackle extremism, and seeking to secure the support of imams and mosques. I have to say that the young people have probably formed the most exciting working group so far, which has come out with some excellent suggestions about road shows and how they can work to tackle extremism. I am delighted about that.

The hon. Member for Bournemouth, East (Mr. Ellwood) rightly raised international issues. I can tell him that our international strategy is acknowledged as one of the best, and we intend to continue to support other countries in fighting terrorism.

Finally, my hon. Friend the Member for Preston (Mr. Hendrick) set out, in an excellent speech, how the world is changing and how the terrorists threaten everything that we believe in. I welcome his support for the Bill.

The Bill addresses difficult issues that represent some of the most important ones facing our country. I entirely acknowledge that legislation alone will not be enough to protect our people, but it is vital that we have sufficient powers to intervene early to disrupt terrorism and to prosecute terrorists and bring them to justice. That is what the Bill is all about. It is about ensuring that we have on our statute book the legislation necessary to meet the ever-changing and ever-evolving threat of international terrorism that we face.

We are desperately trying to strike the right balance. We must have a society in which we respect the rule of law. There will always be tension between our rights as individuals and the rights of the community. I was in the Library quite late last night, after a lengthy debate on another Bill, and I thought about how people have dealt with those tensions over the years. Those tensions—over securing the balance between security and liberty—are nothing new. It was John Stuart Mill who, more than 100 years ago, effectively summed up that tension and the balance that we are trying to strike today, when he said:

> "All that makes existence valuable to anyone depends on the enforcement of restraints upon the actions of other people".

That is the balance that must be struck: in exercising our freedoms, it is sometimes necessary to restrain other people's freedoms. Tonight, we are focused on getting the right balance. I look forward with great anticipation—and, dare I say, pleasure—to the Committee stage of the Bill on the Floor of the House, during which we can further explore some of the complex and challenging issues.

I am absolutely convinced that, on the Labour Benches, we want legislation that is practical, workable, effective and will protect the people of this country from the undoubted terrorist threat that we face. I think that the first responsibility of any Government is to protect their citizens while, at the same time, safeguarding the fundamental freedoms that make our democracy one under which people want to live and bring up their families. I am determined that that is what we will do. I commend the Bill to the House.

Question put, That the Bill be now read a Second time:—

The House divided: Ayes 472, Noes 94.

Division No. 70] **[6.59 pm**

AYES

Afriyie, Adam
Ainger, Nick
Ainsworth, rh Mr. Bob
Ainsworth, Mr. Peter
Amess, Mr. David
Ancram, rh Mr. Michael
Anderson, Mr. David
Anderson, Janet
Arbuthnot, rh Mr. James
Armstrong, rh Hilary
Atkins, Charlotte
Atkinson, Mr. Peter
Austin, Mr. Ian
Bacon, Mr. Richard
Bailey, Mr. Adrian
Baird, Vera
Baldry, Tony
Balls, Ed
Banks, Gordon
Barker, Gregory
Barlow, Ms Celia
Baron, Mr. John
Barron, rh Mr. Kevin
Bayley, Hugh
Begg, Miss Anne
Bell, Sir Stuart
Bellingham, Mr. Henry
Benton, Mr. Joe
Benyon, Mr. Richard
Beresford, Sir Paul
Berry, Roger
Betts, Mr. Clive
Binley, Mr. Brian
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blears, rh Hazel
Blizzard, Mr. Bob
Blunkett, rh Mr. David
Blunt, Mr. Crispin
Bone, Mr. Peter
Borrow, Mr. David S.
Boswell, Mr. Tim
Bradshaw, Mr. Ben
Brady, Mr. Graham
Brazier, Mr. Julian
Brennan, Kevin
Brokenshire, James
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Mr. Des
Browning, Angela
Bryant, Chris
Buck, Ms Karen
Burnham, Andy
Burns, Mr. Simon
Burrowes, Mr. David
Burt, Alistair
Butler, Ms Dawn
Butterfill, Sir John
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Cabom, rh Mr. Richard
Cairns, David
Campbell, Mr. Alan
Campbell, Mr. Ronnie
Carswell, Mr. Douglas
Cash, Mr. William
Caton, Mr. Martin
Cawsey, Mr. Ian
Challen, Colin
Chapman, Ben
Chaytor, Mr. David
Chope, Mr. Christopher
Clappison, Mr. James
Clark, Greg
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Clelland, Mr. David
Clifton-Brown, Mr. Geoffrey
Clwyd, rh Ann
Coaker, Mr. Vernon
Coffey, Ann
Connarty, Michael
Conway, Derek
Cooper, Rosie
Cooper, Yvette
Cormack, Sir Patrick
Cox, Mr. Geoffrey
Crausby, Mr. David
Creagh, Mary
Cruddas, Jon
Cummings, John
Cunningham, Mr. Jim
Curry, rh Mr. David
Curtis-Thomas, Mrs. Claire
Darling, rh Mr. Alistair
David, Mr. Wayne
Davidson, Mr. Ian
Davies, David T.C. *(Monmouth)*
Davies, Philip
Davies, Mr. Quentin
Davis, rh David *(Haltemprice and Howden)*
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dhanda, Mr. Parmjit
Dismore, Mr. Andrew
Djanogly, Mr. Jonathan
Dobbin, Jim
Dodds, Mr. Nigel
Donaldson, Mr. Jeffrey M.
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dorries, Mrs. Nadine
Dowd, Jim
Drew, Mr. David
Duddridge, James
Dunne, Mr. Philip
Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Engel, Mrs. Natascha
Ennis, Jeff
Etherington, Bill
Evans, Mr. Nigel
Evennett, Mr. David
Fabricant, Michael
Farrelly, Paul
Field, rh Mr. Frank
Field, Mr. Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Flynn, Paul
Follett, Barbara
Forth, rh Mr. Eric
Foster, Mr. Michael *(Worcester)*
Foster, Michael Jabez *(Hastings and Rye)*
Fox, Dr. Liam
Francois, Mr. Mark
Fraser, Mr. Christopher
Gale, Mr. Roger
Gapes, Mike
Gardiner, Barry
Garnier, Mr. Edward
Gauke, Mr. David
Gibb, Mr. Nick
Gillan, Mrs. Cheryl
Gilroy, Linda
Godsiff, Mr. Roger
Goggins, Paul
Goodman, Helen
Goodman, Mr. Paul
Goodwill, Mr. Robert
Gove, Michael
Gray, Mr. James
Grayling, Chris
Green, Damian
Greening, Justine
Greenway, Mr. John
Grieve, Mr. Dominic
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hague, rh Mr. William
Hain, rh Mr. Peter
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. Fabian
Hammond, Mr. Philip
Hammond, Stephen
Hancock, Mr. Mike
Hands, Mr. Greg
Hanson, Mr. David
Harper, Mr. Mark
Harris, Mr. Tom
Havard, Mr. Dai
Hayes, Mr. John
Heald, Mr. Oliver
Healey, John
Heathcoat-Amory, rh Mr. David
Henderson, Mr. Doug
Hendrick, Mr. Mark
Hendry, Charles
Hepburn, Mr. Stephen
Heppell, Mr. John
Herbert, Nick
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hoban, Mr. Mark
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hollobone, Mr. Philip
Holloway, Mr. Adam
Hood, Mr. Jimmy
Hoon, rh Mr. Geoffrey
Hope, Phil
Horam, Mr. John
Howard, rh Mr. Michael
Howarth, rh Mr. George
Howells, Dr. Kim
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Humble, Mrs. Joan
Hunt, Mr. Jeremy
Hurd, Mr. Nick
Hutton, rh Mr. John
Iddon, Dr. Brian
Illsley, Mr. Eric
Ingram, rh Mr. Adam
Irranca-Davies, Huw
Jack, rh Mr. Michael
Jackson, Mr. Stewart
James, Mrs. Siân C.
Jenkin, Mr. Bernard
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Mr. Boris
Johnson, Ms Diana R.
Jones, Mr. David
Jones, Helen
Jones, Mr. Kevan
Jones, Mr. Martyn
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Kawczynski, Daniel
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kelly, rh Ruth
Kemp, Mr. Fraser
Kennedy, rh Jane
Key, Robert
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Kirkbride, Miss Julie
Knight, rh Mr. Greg
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Laing, Mrs. Eleanor
Lait, Mrs. Jacqui
Lammy, Mr. David
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Laxton, Mr. Bob
Lazarowicz, Mark
Leigh, Mr. Edward
Lepper, David
Letwin, rh Mr. Oliver
Levitt, Tom
Lewis, Mr. Ivan
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Lilley, rh Mr. Peter
Linton, Martin
Lloyd, Tony
Loughton, Tim
Love, Mr. Andrew
Lucas, Ian
Luff, Peter
MacDougall, Mr. John
Mackay, rh Mr. Andrew
Mackinlay, Andrew
Maclean, rh David
MacShane, rh Mr. Denis
Mactaggart, Fiona
Mahmood, Mr. Khalid
Main, Anne
Malik, Mr. Shahid
Malins, Mr. Humfrey
Mallaber, Judy
Mann, John
Maples, Mr. John
Marris, Rob

Marsden, Mr. Gordon
Marshall, Mr. David
Martlew, Mr. Eric
May, rh Mrs. Theresa
McAvoy, rh Mr. Thomas
McCabe, Steve
McCafferty, Chris
McCarthy, Kerry
McCarthy-Fry, Sarah
McCrea, Dr. William
McDonagh, Siobhain
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIntosh, Miss Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McLoughlin, rh Mr. Patrick
McNulty, Mr. Tony
Meale, Mr. Alan
Mercer, Patrick
Merron, Gillian
Michael, rh Alun
Miliband, rh Mr. David
Miliband, Edward
Miller, Andrew
Miller, Mrs. Maria
Milton, Anne
Mitchell, Mr. Andrew
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madaleine
Moran, Margaret
Morden, Jessica
Morgan, Julie
Morley, Mr. Elliot
Moss, Mr. Malcolm
Mountford, Kali
Mudie, Mr. George
Mundell, David
Munn, Meg
Murphy, Mr. Denis
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Murrison, Dr. Andrew
Naysmith, Dr. Doug
Newmark, Mr. Brooks
Norris, Dan
O'Brien, Mr. Mike
O'Brien, Mr. Stephen
O'Hara, Mr. Edward
Oliver, Mr. Bill
Osborne, Mr. George
Osborne, Sandra
Ottaway, Richard
Owen, Albert
Paice, Mr. James
Paisley, Rev. Ian
Palmer, Dr. Nick
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penrose, John
Pickles, Mr. Eric
Plaskitt, Mr. James
Pope, Mr. Greg
Pound, Stephen
Prentice, Bridget
Primarolo, rh Dawn
Prisk, Mr. Mark
Pritchard, Mark
Prosser, Gwyn
Purchase, Mr. Ken
Purnell, James
Rammell, Bill
Randall, Mr. John
Raynsford, rh Mr. Nick
Redwood, rh Mr. John
Reed, Mr. Andy
Reed, Mr. Jamie
Reid, rh John
Rifkind, rh Sir Malcolm
Robathan, Mr. Andrew
Robertson, Hugh
Robertson, John
Robinson, Mrs. Iris
Robinson, Mr. Peter
Rooney, Mr. Terry
Rosindell, Andrew
Roy, Mr. Frank
Ruane, Chris
Ruddock, Joan
Ruffley, Mr. David
Russell, Christine
Ryan, Joan
Salter, Martin
Scott, Mr. Lee
Seabeck, Alison
Selous, Andrew
Shapps, Grant
Shaw, Jonathan
Sheridan, Jim
Simmonds, Mark
Simon, Mr. Siôn
Simpson, David
Simpson, Mr. Keith
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, Geraldine
Smith, rh Jacqui
Snelgrove, Anne
Soames, Mr. Nicholas
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Spelman, Mrs. Caroline
Spicer, Sir Michael
Spink, Bob
Spring, Mr. Richard
Stanley, rh Sir John
Starkey, Dr. Phyllis
Steen, Mr. Anthony
Stewart, Ian
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Straw, rh Mr. Jack
Streeter, Mr. Gary
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Swayne, Mr. Desmond
Swire, Mr. Hugo
Syms, Mr. Robert
Tami, Mark
Tapsell, Sir Peter
Taylor, Ms Dari
Taylor, David
Taylor, Mr. Ian
Thomas, Mr. Gareth
Thornberry, Emily
Timms, Mr. Stephen
Tipping, Paddy
Todd, Mr. Mark
Touhig, Mr. Don
Trickett, Jon
Truswell, Mr. Paul
Turner, Mr. Andrew
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Usher, Kitty
Vara, Mr. Shailesh
Vaz, Keith
Viggers, Peter
Villiers, Mrs. Theresa
Vis, Dr. Rudi
Walker, Mr. Charles
Walley, Joan
Waltho, Lynda
Ward, Claire
Watkinson, Angela
Watson, Mr. Tom
Whitehead, Dr. Alan
Whittingdale, Mr. John
Wicks, Malcolm
Widdecombe, rh Miss Ann
Wiggin, Bill
Williams, rh Mr. Alan
Williams, Mrs. Betty
Wills, Mr. Michael
Wilson, Sammy
Winnick, Mr. David
Winterton, Ms Rosie
Woodward, Mr. Shaun
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek
Yeo, Mr. Tim
Young, rh Sir George

Tellers for the Ayes:
Tony Cunningham and Mr. Dave Watts

NOES

Abbott, Ms Diane
Alexander, Danny
Baker, Norman
Barrett, John
Beith, rh Mr. Alan
Bercow, John
Bottomley, Peter
Brake, Tom
Breed, Mr. Colin
Brooke, Annette
Browne, Mr. Jeremy
Bruce, Malcolm
Burstow, Mr. Paul
Burt, Lorely
Cable, Dr. Vincent
Campbell, rh Sir Menzies
Carmichael, Mr. Alistair
Clapham, Mr. Michael
Clarke, rh Mr. Kenneth
Clegg, Mr. Nick
Corbyn, Jeremy
Cousins, Jim
Davey, Mr. Edward
Farron, Tim
Featherstone, Lynne
Foster, Mr. Don
George, Andrew
Gibson, Dr. Ian
Gidley, Sandra
Goldsworthy, Julia
Gummer, rh Mr. John
Hamilton, Mr. David
Harris, Dr. Evan
Harvey, Nick
Heath, Mr. David
Hemming, John
Hermon, Lady
Hogg, rh Mr. Douglas
Holmes, Paul
Hopkins, Kelvin
Horwood, Martin
Howarth, David
Hughes, Simon
Huhne, Chris
Hunter, Mark
Jackson, Glenda
Johnson, Mr. Boris
Keetch, Mr. Paul
Kennedy, rh Mr. Charles
Kramer, Susan
Lamb, Norman
Law, Peter
Laws, Mr. David
Leech, Mr. John
Llwyd, Mr. Elfyn
MacNeil, Mr. Angus
Marshall-Andrews, Mr. Robert
McDonnell, John
Moore, Mr. Michael
Mulholland, Greg
Osten, Mr. Mark
Öpik, Lembit
Price, Adam
Pugh, Dr. John
Reid, Mr. Alan
Riordan, Mrs. Linda
Robertson, Angus
Rogerson, Mr. Dan
Rowen, Paul
Sanders, Mr. Adrian
Shepherd, Mr. Richard
Short, rh Clare
Simpson, Alan
Skinner, Mr. Dennis
Smith, Sir Robert
Stunell, Andrew
Swinson, Jo
Taylor, Matthew
Taylor, Dr. Richard
Teather, Sarah
Thurso, John
Walter, Mr. Robert
Wareing, Mr. Robert N.
Webb, Steve
Weir, Mr. Mike
Williams, Hywel
Williams, Mark
Williams, Mr. Roger
Williams, Stephen
Willis, Mr. Phil
Willott, Jenny
Wilson, Mr. Rob
Wishart, Pete
Wood, Mike

Tellers for the Noes:
Richard Younger-Ross and Bob Russell

Question accordingly agreed to.

Bill read a Second time.

TERRORISM BILL (PROGRAMME)

Motion made, and Question put forthwith, pursuant to Standing Order 83A(6) (Programme motions),

That the following provisions shall apply to the Terrorism Bill:

Committal

1. The Bill shall be committed to a Committee of the whole House.

Proceedings in Committee

2. (1) Proceedings in Committee of the whole House shall be completed in two days.

(2) Those proceedings shall be taken in the order shown in the first column of the following Table and shall be brought to a conclusion (so far as not previously concluded) at the times specified in the second column.

TABLE

Proceedings	*Time for conclusion of proceedings*
First day	
Clauses 1 to 4	Three hours after the commencement of proceedings on the Bill on the first day.
Clauses 23 and 24	The moment of interruption on the first day or three hours after the commencement of proceedings on Clause 23, whichever is the later
Second day	
Clauses 21 and 22, Clauses 5 to 20, Schedule 1, Clauses 25 to 27, Schedule 2, Clauses 28 to 36, Schedule 3, Clauses 37 and 38, new Clauses, new Schedules, remaining proceedings on the Bill	The moment of interruption on the second day.

(3) Standing Order No. 83B (Programming committees) shall not apply to the proceedings on the Bill in Committee of the whole House.

Consideration and Third Reading

3. Any proceedings on consideration shall be brought to a conclusion (so far as not previously concluded) six hours after the commencement of those proceedings.

4. Proceedings on Third Reading shall be brought to a conclusion (so far as not previously concluded) four hours after the commencement of those proceedings.

5. Standing Order No. 83B (Programming committees) shall not apply to proceedings on consideration and Third Reading.

Programming of other proceedings

6. Any other proceedings on the Bill (including any proceedings on consideration of Lords Amendments or on any further messages from the Lords) may be programmed.—*[Mr. Cawsey.]*

The House divided: Ayes 303, Noes 245.

Division No. 71] **[7.16 pm**

AYES

Ainger, Nick
Ainsworth, rh Mr. Bob
Anderson, Mr. David
Anderson, Janet
Armstrong, rh Hilary
Atkins, Charlotte
Austin, Mr. Ian
Austin, John
Bailey, Mr. Adrian
Baird, Vera
Balls, Ed
Banks, Gordon
Barlow, Ms Celia
Barron, rh Mr. Kevin
Bayley, Hugh
Begg, Miss Anne
Bell, Sir Stuart
Benton, Mr. Joe
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blears, rh Hazel
Blizzard, Mr. Bob
Blunkett, rh Mr. David
Borrow, Mr. David S.
Brennan, Kevin
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Mr. Des
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burnham, Andy
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Cairns, David
Campbell, Mr. Alan
Campbell, Mr. Ronnie
Caton, Mr. Martin
Cawsey, Mr. Ian
Challen, Colin
Chapman, Ben
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Clelland, Mr. David
Clwyd, rh Ann
Coaker, Mr. Vernon
Coffey, Ann
Cohen, Harry
Connarty, Michael
Cooper, Rosie
Cooper, Yvette
Crausby, Mr. David
Creagh, Mary
Cruddas, Jon
Cryer, Mrs. Ann
Cunningham, Mr. Jim
Curtis-Thomas, Mrs. Claire
Darling, rh Mr. Alistair
David, M. Wayne
Davidson, Mr. Ian
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dhanda, Mr. Parmjit
Dismore, Mr. Andrew
Dobbin, Jim
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Engel, Mrs. Natascha
Ennis, Jeff
Etherington, Bill
Farrelly, Paul
Field, rh Mr. Frank
Fitzpatrick, Jim
Fiello, Mr. Robert
Flint, Caroline
Flynn, Paul
Follett, Barbara
Foster, Mr. Michael *(Worcester)*
Foster, Michael Jabez *(Hastings and Rye)*
Gapes, Mike
Gardiner, Barry
Gerrard, Mr. Neil
Gibson, Dr. Ian
Gilroy, Linda
Godsiff, Mr. Roger
Goggins, Paul
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. David
Hamilton, Mr. Fabian
Hanson, Mr. David
Harris, Mr. Tom
Havard, Mr. Dai
Healey, John
Henderson, Mr. Doug
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hood, Mr. Jimmy
Hoon, rh Mr. Geoffrey
Hope, Phil
Howarth, rh Mr. George
Howells, Dr. Kim
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Humble, Mrs. Joan
Iddon, Dr. Brian
Illsley, Mr. Eric
Ingram, rh Mr. Adam
Irranca-Davies, Huw
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Mr. Martyn
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Kean, Alan
Keen, Ann
Kelly, rh Ruth
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, Mr. David
Laxton, Mr. Bob
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lloyd, Tony
Love, Mr. Andrew
Lucas, Ian
MacDougall, Mr. John
Mackinlay, Andrew
MacShane, rh Mr. Denis
Mactaggart, Fiona
Mahmood, Mr. Khalid
Malik, Mr. Shahid
Mallaber, Judy

Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall, Mr. David
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCafferty, Chris
McCarthy, Kerry
McCarthy-Fry, Sarah
McDonagh, Siobhain
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McNulty, Mr. Tony
Meale, Mr. Alan
Merron, Gillian
Michael, rh Alun
Miliband, rh Mr. David
Miliband, Edward
Miller, Andrew
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moran, Margaret
Morden, Jessica
Morgan, Julie
Morley, Mr. Elliot
Mountford, Kali
Mudie, Mr. George
Munn, Meg
Murphy, Mr. Denis
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Naysmith, Dr. Doug
Norris, Dan
O'Brien, Mr. Mike
O'Hara, Mr. Edward
Olner, Mr. Bill
Osborne, Sandra
Owen, Albert
Palmer, Dr. Nick
Plaskitt, Mr. James
Pope, Mr. Greg
Pound, Stephen
Prentice, Bridget
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Mr. Ken
Purnell, James
Rammell, Bill
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Reid, rh John
Robertson, John
Rooney, Mr. Terry
Roy, Mr. Frank
Ruane, Chris
Ruddock, Joan
Russell, Christine
Ryan, Joan
Salter, Martin
Seabeck, Alison
Shaw, Jonathan
Sheridan, Jim
Simon, Mr. Siôn
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, Geraldine
Smith, rh Jacqui
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Straw, rh Mr. Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari
Taylor, David
Thomas, Mr. Gareth
Thornberry, Emily
Timms, Mr. Stephen
Tipping, Paddy
Todd, Mr. Mark
Touhig, Mr. Don
Trickett, Jon
Truswell, Mr. Paul
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Ussher, Kitty
Vaz, Keith
Vis, Dr. Rudi
Walley, Joan
Waltho, Lynda
Ward, Claire
Watson, Mr. Tom
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Williams, Mrs. Betty
Wills, Mr. Michael
Winnick, Mr. David
Winterton, Ms Rosie
Woodward, Mr. Shaun
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek

Tellers for the Ayes:
Tony Cunningham and Mr. Dave Watts

NOES

Afriyie, Adam
Alexander, Danny
Amess, Mr. David
Ancram, rh Mr. Michael
Arbuthnot, rh Mr. James
Atkinson, Mr. Peter
Bacon, Mr. Richard
Baker, Norman
Baldry, Tony
Barker, Gregory
Baron, Mr. John
Barrett, John
Bellingham, Mr. Henry
Benyon, Mr. Richard
Bercow, John
Beresford, Sir Paul
Binley, Mr. Brian
Bone, Mr. Peter
Boswell, Mr. Tim
Bottomley, Peter
Brady, Mr. Graham
Brake, Tom
Brazier, Mr. Julian
Breed, Mr. Colin
Brokenshire, James
Browne, Mr. Jeremy
Browning, Angela
Bruce, Malcolm
Burns, Mr. Simon
Burrowes, Mr. David
Burstow, Mr. Paul
Burt, Alistair
Burt, Lorely
Butterfill, Sir John
Cable, Dr. Vincent
Campbell, rh Sir Menzies
Carmichael, Mr. Alistair
Carswell, Mr. Douglas
Cash, Mr. William
Chope, Mr. Christopher
Clappison, Mr. James
Clark, Greg
Clarke, rh Mr. Kenneth
Clegg, Mr. Nick
Clifton-Brown, Mr. Geoffrey
Conway, Derek
Cox, Mr. Geoffrey
Curry, rh Mr. David
Davey, Mr. Edward
Davies, David T.C. *(Monmouth)*
Davies, Philip
Davies, Mr. Quentin
Davis, rh David *(Haltemprice and Howden)*
Djanogly, Mr. Jonathan
Dodds, Mr. Nigel
Donaldson, Mr. Jeffrey M.
Dorrell, rh Mr. Stephen
Dorries, Mrs. Nadine
Duddridge, James
Dunne, Mr. Philip
Ellwood, Mr. Tobias
Evans, Mr. Nigel
Fabricant, Michael
Farron, Tim
Featherstone, Lynne
Forth, rh Mr. Eric
Foster, Mr. Don
Fox, Dr. Liam
Francois, Mr. Mark
Fraser, Mr. Christopher
Gale, Mr. Roger
Garnier, Mr. Edward
Gauke, Mr. David
George, Andrew
Gibb, Mr. Nick
Gillan, Mrs. Cheryl
Goldsworthy, Julia
Goodman, Mr. Paul
Goodwill, Mr. Robert
Gove, Michael
Gray, Mr. James
Grayling, Chris
Green, Damian
Greening, Justine
Greenway, Mr. John
Grieve, Mr. Dominic
Gummer, rh Mr. John
Hague, rh Mr. William
Hammond, Mr. Philip
Hammond, Stephen
Hancock, Mr. Mike
Hands, Mr. Greg
Harper, Mr. Mark
Harris, Dr. Evan
Harvey, Nick
Hayes, Mr. John
Heald, Mr. Oliver
Heath, Mr. David
Heathcoat-Amory, rh Mr. David
Hendry, Charles
Herbert, Nick
Hermon, Lady
Hogg, rh Mr. Douglas
Hollobone, Mr. Philip
Holloway, Mr. Adam
Holmes, Paul
Horam, Mr. John
Horwood, Martin
Howard, rh Mr. Michael
Howarth, David
Hughes, Simon
Huhne, Chris
Hunt, Mr. Jeremy
Hurd, Mr. Nick
Jack, rh Mr. Michael
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Johnson, Mr. Boris
Jones, Mr. David
Jones, Lynne
Kawczynski, Daniel
Keetch, Mr. Paul
Kennedy, rh Mr. Charles
Key, Robert
Kirkbride, Miss Julie
Knight, rh Mr. Greg
Kramer, Susan
Laing, Mrs. Eleanor
Lait, Mrs. Jacqui
Lamb, Norman
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Law, Peter
Laws, Mr. David
Leech, Mr. John
Leigh, Mr. Edward
Letwin, rh Mr. Oliver
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Lilley, rh Mr. Peter
Llwyd, Mr. Elfyn
Loughton, Tim
Luff, Peter
Mackay, rh Mr. Andrew
Maclean, rh David
MacNeil, Mr. Angus
Main, Anne
Malins, Mr. Humfrey
Maples, Mr. John
May, rh Mrs. Theresa
McCrea, Dr. William
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Mercer, Patrick
Miller, Mrs. Maria
Milton, Anne
Mitchell, Mr. Andrew
Moore, Mr. Michael
Moss, Mr. Malcolm
Mulholland, Greg
Mundell, David
Murrison, Dr. Andrew
Newmark, Mr. Brooks
O'Brien, Mr. Stephen
Oaten, Mr. Mark
Öpik, Lembit

Osborne, Mr. George
Ottaway, Richard
Paisley, Rev. Ian
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penrose, John
Pickles, Mr. Eric
Price, Adam
Prisk, Mr. Mark
Pritchard, Mark
Pugh, Dr. John
Randall, Mr. John
Redwood, rh Mr. John
Reid, Mr. Alan
Rifkind, rh Sir Malcolm
Robathan, Mr. Andrew
Robertson, Angus
Robertson, Hugh
Robinson, Mrs. Iris
Robinson, Mr. Peter
Rogerson, Mr. Dan
Rosindell, Andrew
Rowen, Paul
Ruffley, Mr. David
Russell, Bob
Sanders, Mr. Adrian
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Shepherd, Mr. Richard
Simmonds, Mark
Simpson, David
Simpson, Mr. Keith
Smith, Sir Robert
Soames, Mr. Nicholas
Spicer, Sir Michael
Spink, Bob
Spring, Mr. Richard
Stanley, rh Sir John
Steen, Mr. Anthony
Streeter, Mr. Gary
Stuart, Mr. Graham
Stunell, Andrew
Swayne, Mr. Desmond
Swinson, Jo
Swire, Mr. Hugo
Syms, Mr. Robert
Tapsell, Sir Peter
Taylor, Mr. Ian
Taylor, Matthew
Taylor, Dr. Richard
Teather, Sarah
Thurso, John
Turner, Mr. Andrew
Vara, Mr. Shailesh
Viggers, Peter
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Walter, Mr. Robert
Watkinson, Angela
Webb, Steve
Weir, Mr. Mike
Whittingdale, Mr. John
Williams, Hywel
Williams, Mark
Williams, Mr. Roger
Williams, Stephen
Willis, Mr. Phil
Willott, Jenny
Wilson, Mr. Rob
Wilson, Sammy
Winterton, Ann
Winterton, Sir Nicholas
Wishart, Pete
Yeo, Mr. Tim
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Noes:
Mr. Crispin Blunt and
Mr. David Evennett

Question accordingly agreed to.

TERRORISM BILL *[MONEY]*

Queen's recommendation having been signified—

Motion made, and Question put forthwith, pursuant to Standing Order No. 52(1)(a) (Money resolutions and ways and means resolutions in connection with bills),

That, for the purposes of any Act resulting from the Terrorism Bill, it is expedient to authorise the payment out of money provided by Parliament of—

(a) any expenditure incurred by the Secretary of State in consequence of the Act, and

(b) any increase attributable to the Act in the sums payable under any other Act out of money so provided.—*[Mr. Cawsey.]*

Question agreed to.

PETITIONS

Council Tax

7.28 pm

Mr. Mark Lancaster (North-East Milton Keynes) (Con): It is my privilege to present the petition of Captain Burnett and other constituents from North East-Milton Keynes. The residents of North-East Milton Keynes are understandably incensed at the exponential increase in council tax over recent years, which has taken no cognisance of their ability to pay.

To lie upon the Table.

7.29 pm

Mr. Christopher Chope (Christchurch) (Con): I am delighted to present a petition supported by thousands of my constituents, which was organised by Mr. Bustard of West Parley. It condemns the use of council tax as a stealth-wealth tax by this Government.

The petition

Declares that the year-on-year, inflation-busting increases in Council Tax are causing hardship to many and take no account of ability to pay; further that the proposed property revaluation and re-banding exercise will make an already flawed system even worse.

The Petitioners therefore request that the House of Commons votes to replace Council Tax with a fair and equitable tax that, without recourse to any supplementary benefit, takes into account ability to pay from disposable income. Such tax to be based on a system that is free from any geographical or politically motivated discrimination, and that clearly identifies the fiscal and managerial responsibilities of all involved parties.

And the Petitioners remain, etc.

To lie upon the Table.

7.30 pm

Mr. Dan Rogerson (North Cornwall) (LD): I, too, wish to present a petition on council tax with signatures collected across North Cornwall:

The Petition of the Isitfair Council Tax protest campaign

Declares that the year-on-year, inflation-busting increases in Council Tax are causing hardship to many and take no account of ability to pay: further that the proposed property revaluation and re-banding exercise will make an already flawed system even worse.

The Petitioners therefore request that the House of Commons votes to replace Council Tax with a fair and equitable tax that, without recourse to any supplementary benefit, takes into account ability to pay from disposable income, such tax to be based on a system that is free from any geographically or politically motivated discrimination, and that clearly identifies the fiscal and managerial responsibilities of all involved parties.

And the Petitioners remain, etc.

To lie upon the Table.

7.31 pm

Tim Loughton (East Worthing and Shoreham) (Con): Coincidentally, I wish to present a remarkably similar petition on council tax on behalf of 156 constituents in Worthing and the surrounding area. They declare:

The Petition of the Isitfair Council Tax protest campaign

Declares that the year-on-year, inflation-busting increases in Council Tax are causing hardship to many and take no account of ability to pay: further that the proposed property revaluation and re-banding exercise will make an already flawed system even worse.

The Petitioners therefore request that the House of Commons votes to replace Council Tax with a fair and equitable tax that, without recourse to any supplementary benefit, takes into account ability to pay from disposable income, such tax to be based on a system that is free from any geographically or politically motivated discrimination, and that clearly identifies the fiscal and managerial responsibilities of all involved parties.

And the Petitioners remain, etc.

To lie upon the Table.

7.32 pm

Mr. Andrew Turner (Isle of Wight) (Con): On a point of order, Mr. Deputy Speaker. I should like to raise the *Hansard* report of an exchange yesterday between the hon. Member for Chesterfield (Paul Holmes) and the Secretary of State for Education and Skills. At column 184, the right hon. Lady told the hon. Member for Chesterfield, who had asked about looked-after children, that

"all schools will have to look at those children first".—[*Official Report*, 25 October 2005; Vol. 438, c. 184.]

Hansard then reported "Interruption", to which the right hon. Lady replied, "Yes." In fact, the hon. Member for Chesterfield, who is in the Chamber tonight, asked whether that would be a statutory requirement. He said, "Statutory?"

That is significant, because earlier today the Leader of the House, standing in for the Prime Minister, told the hon. Member for Bristol, East (Kerry McCarthy) that

"the school adjudicator is charged with ensuring that admissions policies are in line with the code. That will continue to be the position under the proposals announced yesterday".

Under the code, however, schools are required to have regard to the statutory code of practice on admissions. I wish to put on the record the fact that in reply to the word "Statutory?" the Secretary of State for Education and Skills said, "Yes." Today, however, the Leader of the House said something entirely different.

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. That is not strictly a point of order for the Chair, but the hon. Gentleman has managed to put on record his point about a possible discrepancy, which can now be pursued in other ways with which he is familiar.

Non-Proliferation Treaty

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Cawsey.]*

7.34 pm

Dr. Gavin Strang (Edinburgh, East) (Lab): I am grateful for the opportunity to draw the attention of the House to the urgent need for international action to prevent the proliferation of nuclear weapons.

Back in 1963, US President John F. Kennedy stated that he saw the possibility of 15, 20 or 25 nations having nuclear weapons in the 1970s. Quite a few present Members of the House will not be old enough to remember John Kennedy, but I am, and I remember the widespread appreciation at that time of the importance of preventing more and more states from acquiring nuclear weapons. Clearly, the more states that have nuclear weapons, the more likely it is that they will be used. It was in that climate that the non-proliferation treaty was conceived, negotiated and agreed—a time when there was a very real prospect of a rapid escalation in the number of states with nuclear weapons.

The nuclear non-proliferation treaty—the NPT—came into force in 1970. At that time the only countries with nuclear weapons were the United States, Russia, China, France and the United Kingdom. Since then, India and Pakistan have acquired and tested nuclear weapons, Israel is believed to have a nuclear weapons capability, and North Korea has stated that it has manufactured nuclear weapons. Every new state with nuclear weapons is a blow to international security, but without the NPT the world would have become a much more dangerous place much sooner.

The Government rightly describe the NPT as the cornerstone of the international non-proliferation and disarmament regime. The NPT is built on three central pillars—first, preventing proliferation, by stopping new states acquiring nuclear weapons and stopping states that already have nuclear weapons acquiring more; secondly, obliging existing nuclear weapons states to disarm; and, thirdly, enabling nuclear technology to be used peacefully. The treaty is essentially a deal between those countries with nuclear weapons and those without. The non-nuclear states pledge not to acquire nuclear weapons, in return for which they get peaceful uses of nuclear energy, plus the promise of disarmament from the nuclear weapons states.

Nuclear technology and international politics do not stand still, so it is vital that the global regime for non-proliferation and disarmament can evolve and strengthen, in order to be fit for purpose. The NPT is therefore subject to a review conference every five years. There was such a conference in May this year, and one would have thought that if ever it was crucial that progress be made, it was at that 2005 review conference. After all, much had happened in the preceding five years.

For the first time a state, North Korea, had announced that it was withdrawing from the treaty. Two states, Libya and North Korea, had announced that they had been working on their own secret nuclear weapons programmes, and North Korea then claimed that it had manufactured nuclear weapons. The International Atomic Energy Agency had found undeclared uranium-enrichment activity in Iran, and the A.Q. Khan trafficking network had been exposed.

In the meantime, non-nuclear weapons states were frustrated at the slow progress on disarmament, and the attacks on the US on 11 September 2001 had thrown into alarmingly sharp relief the prospect of terrorist use of weapons of mass destruction. Despite those developments, the review conference was a dreadful failure. The participants succumbed to wrangles over procedure and the conference concluded with no substantive agreement at all.

I raised the matter in the House in the summer Adjournment debate in July, and I was grateful for the reply that I received from the Government by way of a letter from my hon. Friend the Minister for Trade. He wrote that

"a very small group of countries seemed determined from the outset to ensure that no substantive outcome was achieved, contrary to our wishes and to the wishes of the vast majority of States Parties attending".

However, my hon. Friend was keen to assure me in his letter that it is not unheard of for NPT review conferences to be unsuccessful, and that there are other forums where progress could be made. He pointed to the forthcoming United Nations millennium review summit in New York in September.

Hopes were indeed high for the millennium review summit. UN Secretary-General Kofi Annan had published a report entitled "In Larger Freedom" for decision at the summit by the world's leaders. The Secretary-General's report made key recommendations concerning all three pillars of the NPT. The G8 at Gleneagles issued a communiqué on non-proliferation, which welcomed the attention given to non-proliferation in the Secretary-General's report, and declared themselves ready to engage actively at the summit.

The Minister responsible for international security, who I am pleased to see in his place, was quite right when he said a week before the summit that it

"presents an opportunity to reaffirm strongly the international consensus against proliferation and to reiterate our support for all elements of the non-proliferation regime, including the NPT and to move the agenda forward. We need to do so now more than ever."

The whole House should agree with that statement.

At the summit itself, the Prime Minister said in his address that

"The United Nations must strengthen its policy against non-proliferation; in particular, how to allow nations to develop civil nuclear power but not nuclear weapons."

Of course, we had the statement by the head of the UK delegation to the NPT review conference, Ambassador John Freeman, on 5 May, which was also the date of the British general election. Speaking on behalf of the British Government to the diplomats in New York, he said:

"we recognise that we have particular obligations, as a Nuclear Weapon State, under Article 6 of the Treaty. We re-affirm our unequivocal undertaking to accomplish the total elimination of nuclear arsenals leading to nuclear disarmament."

But long before our Prime Minister got to his feet, it had become clear that no progress would be made. In fact, the sections of the Secretary-General's report on disarmament and non-proliferation had been removed entirely. I cannot exaggerate the disappointment that must have been felt worldwide by those who follow these issues.

For their part, the UK Government have also expressed disappointment, and in the EU statement circulated at the world summit it was claimed that

"the UK as EU Presidency was involved in the extensive efforts to broker agreement'

on the key issues of non-proliferation and disarmament.

If my hon. Friend could elaborate for us on what happened at the summit, I would be most grateful. Why was no progress made? Why were the sections of the Secretary-General's report dealing with disarmament and non-proliferation removed entirely? How was it that the international community once again

"allowed posturing to get in the way of results",

as Kofi Annan himself put it? I hope that my hon. Friend will take this opportunity to provide us with a full statement of what actually happened in New York last month.

This summer on 7 July we had the London suicide bombings, and earlier this evening the House gave a Second Reading to the Terrorism Bill. There is rightly a focus on terrorism. At the same time, we must not lose sight of the fact that a nuclear weapon, even a small one, has the capacity to kill thousands of people. The growth of international terrorism makes the prospect of terrorists getting their hands on nuclear weapons an increasingly alarming one, and that is surely a reason why Governments should be striving harder for progress.

When I had the good fortune to address the House before the summer recess, I took the opportunity to set out five proposals for progress: the universal adoption of the International Atomic Energy Agency's additional protocol; incentives for countries to forgo fuel cycle facilities; a fissile material cut-off treaty; entry into force of the comprehensive test ban treaty, which is still not in operation, as my hon. Friend the Minister knows better than I do; and disarmament. Disarmament is one of the three pillars of the NPT, and it is essential that progress is made on the elimination of all nuclear weapons as agreed by the NPT states, including the UK, at the review conference in 2000. That is what we signed up to.

The current security climate has rightly led to calls for a tougher non-proliferation regime for non-nuclear weapons states. However, while we nuclear weapons states are perceived as disengaged from our side of the NPT deal, there is a danger that our insistence on non-proliferation will not carry adequate credibility with the non-nuclear states. In that context, I gently put it to my hon. Friend that a decision to replace Trident would further weaken the credibility of our case for stronger non-proliferation measures and would be seen as yet more evidence that the countries that had nuclear weapons at the start of the NPT are not prepared to deliver on their side of the bargain.

It is not contentious to say that the nuclear non-proliferation treaty has made our world a safer place than it otherwise could have been. Equally, however, no one disputes the fact that the NPT regimes desperately need to be strengthened and urgently need to be updated. Will my hon. Friend set out as fully as he can the Government's view on why things went so badly wrong at the millennium summit as regards nuclear weapons? Will he also set out the work that the

[Dr. Gavin Strang]

Government are doing to push matters forward in helping to get the world back on track on nuclear proliferation and disarmament?

Jeremy Corbyn (Islington, North) (Lab): Does my hon. Friend agree that it is also important that the Government pressurise other countries to sign the NPT, including Israel, which has nuclear weapons but has so far refused even to admit to ownership of them, never mind signing the treaty?

Dr. Strang: My hon. Friend makes a fair and valid point. We want all Governments to sign up to the treaty, and having done so to live up to the spirit and letter of it. I take his point absolutely.

I am sure that the Minister is as disappointed as I am, and indeed the whole world is, about the failure to make progress at the millennium summit. The question is: where do we go from here? For most of my life, the dominant international reality was the existence of the cold war. I well remember the build-up of nuclear weapons by the Warsaw pact and NATO. I am just old enough to remember—I was a student at the time—the genuine fear that permeated the people of this country during the Cuban missile crisis. We were very conscious of the continued, remorseless build-up of nuclear weapons on both sides. I remember the deep concern aroused by the deployment of intermediate range nuclear weapons in Europe—the Soviet SS20s and the US Cruise missiles. There was a very real risk that nuclear weapons would be used, starting with the intermediate range nuclear weapons and escalating quickly to the massive intercontinental ballistic missiles. Civilisation as we knew it would have been annihilated. Thankfully, those days are well behind us.

The years in which we live now arguably provide a window, when we should be able to make genuine progress to avoid nuclear proliferation, to reduce nuclear stockpiles and the number of countries with nuclear weapons, and, ultimately, to abolish nuclear weapons. In that context, the events of the past few months are deeply regrettable. If the world's leaders do not effectively grasp the issue and make genuine progress, a future generation, if not this one, could pay a heavy price.

7.49 pm

The Minister for the Middle East (Dr. Kim Howells): I congratulate my right hon. Friend the Member for Edinburgh, East (Dr. Strang) on securing the debate. Before addressing the specific issues that he raised, I thank him for highlighting the continuing value of the non-proliferation and disarmament regime. His excellent analysis shows why the non-proliferation treaty continues to be the cornerstone of United Kingdom counter-proliferation policy. He also demonstrated the regime's overall success in averting the future that President Kennedy envisaged in 1963. I, too, remember the Cuban crisis. I remember thinking that it was not fair—I had just got into my stride and Aberdare was about to be obliterated. It was not a promising scenario.

As my right hon. Friend reminded us, it is an important moment to reflect on the significance of the nuclear non-proliferation treaty. Iran is restarting its nuclear conversion programme, with the threat of restarting the nuclear enrichment programme. There can be only one reason for that. It has nothing to do with civil nuclear power and everything to do with creating a nuclear bomb. As my right hon. Friend said, there are already enough of those around without adding to the number of nations that possess those lethal weapons.

That said, the non-proliferation and disarmament regime continues to face genuine and pressing challenges. In response, the Government have consistently sought to work with our international partners to strengthen all three pillars of the treaty. In 2005, the highest-profile, but by no means the only forum for pursuing that effort was the review conference in May. As my right hon. Friend knows, it was thrown off course by procedural wrangling, and, as a result, there was no agreement on substance. As he hinted, a small group of countries at the review conference—the revcon, as it is known—seemed determined from the outset to ensure that was the case. In a multilateral format, which relies on consensus, the tactic can win the day even when the majority of states present seek to achieve genuine advances. That was the case in New York in May.

Jeremy Corbyn: I know that the Minister has had a tiring day, so I am grateful to him for giving way. Does not he agree that it would greatly help the non-proliferation cause if Britain did not announce the redevelopment of the Trident submarine system or some replacement for it, but said that we adhered to the NPT and the goal of eventual nuclear disarmament by all states?

Dr. Howells: My hon. Friend has been in this place long enough to know that I will not answer that one.

Jeremy Corbyn: Come on.

Dr. Howells: I say to him that the Government take the question seriously. Considering what we should do about the continuation and possession of a nuclear deterrent is a serious matter, which we shall tackle seriously. However, in this evening's debate, I should like to try to answer some of the questions posed by my right hon. Friend.

My right hon. Friend asked whether the Secretary-General of the United Nations, Mr. Kofi Annan, had edited or altered the form of words that might originally have been agreed for his speech. I am informed that the language of the treaty had been clear for some days, if not weeks, before Kofi Annan made his speech. It was Mr. Kofi Annan, no one else, who altered his speech, and there were no indications that he was under any pressure to do so. As far as I know, that is a very authoritative account of the procedure that occurred at that time, and I hope that my right hon. Friend will accept it. I have met Mr. Annan on several occasions, and he is certainly not someone who can easily be swayed when it comes to saying what he intends to say. He is a fine diplomat who is known for his integrity.

While the review conference did not conclude with a substantive final document, there is general agreement

that there was a lot of good, detailed discussion of ways in which the treaty could be strengthened. We hope that these ideas will be taken up actively in other forums. I take my right hon. Friend's point about the hopes that we had for the millennium summit as the most important of those forums, and I understand his disappointment with the review conference that preceded it and with the failure to agree a form of words.

However, I am trying to answer my right hon. Friend's most important question, which is: where do we go from here? I would say to him that we must use whatever forum is available to take forward this hugely important problem. He told us that no single problem was more important than this one, and I am sure that we would all agree. How can we imagine a world in which people were trying to live after a nuclear holocaust? There would not be one. This is a problem that we have lived with all our lives, and I want my right hon. Friend to know that we intend to try to strengthen the nuclear non-proliferation treaty in whatever way we can, using whatever venue we can to pursue that aim.

There were proposals at the review conference on measures to discourage withdrawal from the treaty. These drew widespread support, including from the European Union. The EU also played its part in setting out a progressive non-proliferation agenda through its agreement on and promotion of a forward-leaning common position on the non-proliferation treaty.

Although our primary focus from a disarmament and non-proliferation perspective this year was, rightly, the NPT review conference, the disappointing outcome gave us added incentive to make strenuous efforts to remedy this at the UN world summit in September. That was why my right hon. Friend the Foreign Secretary agreed to take part in the initiative, promoted by his then Norwegian colleague, designed to generate broad support for a forward-looking non-proliferation agenda.

Indeed, in the second week of the UN conference, I attended a meeting of the Norwegian group, and a great deal of passion was generated in the attempts of all the countries represented there to break through the dam of unwillingness to make progress on the language of the non-proliferation statement. I agree with my right hon. Friend that it was a great shame that we were unable to make progress there, despite the strength of that group. During our presidency of the European Union, we have also worked hard to secure European support for strong and meaningful commitments on non-proliferation and disarmament.

Although it was again disappointing that the summit was unable to agree on commitments to disarmament and non-proliferation, I cannot entirely concur with my right hon. Friend's assessment that the summit was therefore a failure. The Norwegian initiative, in which we participated, obtained the support of more than 80 countries—more than was achieved by any other means. So I hope that my right hon. Friend does not feel entirely gloomy about this. There is a great feeling that we can take this issue forward. He will know, as I do, that there is a great deal of work to be done, especially with the non-aligned members, some of whom were very intransigent on the question of the language. There is room there to celebrate success for the cause of nuclear non-proliferation.

As my right hon. Friend the Prime Minister has commented, if the reforms and commitments agreed at the summit are fully implemented, it will represent a major advance for the UN and the international community. The lack of an outcome on non-proliferation, regrettable though it is, should not detract from those real gains. Achieving full agreement on all the reforms put forward was always going to be very difficult. Rather than posturing getting in the way of results, that reflected the ambitious agenda and divergence of views between UN member states on many issues. The UK, in our presidency of the EU, worked to achieve the most extensive set of reforms possible, and we will continue to do so. Sadly, however, despite hard work by the UK in both its national and EU presidency capacities, pre-summit negotiations on non-proliferation issues proved very difficult.

As my right hon. Friend said, that outcome was certainly a disappointment. But we should not be misled into believing that it heralds the collapse of the NPT—I do not believe that my right hon. Friend believes that, and I certainly do not. Nor does it mean the collapse of the non-proliferation regime more widely. We believe that the challenges to the regime have served to bolster support for it rather than to undermine it. We share that commitment with the overwhelming majority of states and we will continue to use all available international forums to build consensus to strengthen the regime.

My right hon. Friend drew our attention to a number of valuable initiatives in this regard, many of which the UK wholeheartedly supports. For example, we are taking every opportunity to encourage all states to adopt the International Atomic Energy Agency's additional protocol, and are actively working with others to formulate appropriate incentives for countries to forgo fuel cycle facilities. Both have formed part of the activity of the G8 during the United Kingdom's presidency. While we fully recognise the right of states that are in compliance with their obligations under the NPT to use and benefit from nuclear technology, as set out in article 4, it is clear that the nuclear fuel cycle presents particularly acute proliferation risks, which is why we have been promoting controls on the transfer of sensitive technology to be implemented in an objective and non-discriminatory manner.

There are some very interesting proposals for fuel supply assurances, to establish either "real" or "virtual" banks of nuclear fuel, with some element of international involvement. I know that my right hon. Friend is very interested in some of those possibilities. It is far from straightforward, however, as one can see from the fact that Governments and experts have been trying to find a solution to this for some years. A number of complicated technical and political issues remain to be resolved, but I believe that there is now increasing international political will to reach an agreement on the way forward.

The IAEA general conference last month demonstrated a particularly good spirit of co-operation and determination among states to strengthen non-proliferation and address other issues such as the peaceful use of nuclear technology. Those are very important building blocks. The UN First Committee, which is currently in session, the UN Security Council

[Dr. Howells]

resolution 1540 committee and the G8 global partnership are all forums in which we are actively participating. I hope that my right hon. Friend will allow me to reassure him sincerely—

The motion having been made after Seven o'clock, and the debate having continued for half an hour, MR. DEPUTY SPEAKER *adjourned the House without Question put, pursuant to the Standing Order.*

Adjourned at four minutes past Eight o'clock.

House of Commons

Thursday 27 October 2005

The House met at half-past Ten o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

EDUCATION AND SKILLS

The Secretary of State was asked—

"Youth Matters"

1. **Stephen Hesford** (Wirral, West) (Lab): How she expects proposals in the "Youth Matters" Green Paper will provide incentives for young people to engage in positive activities. [22041]

The Minister for Children and Families (Beverley Hughes): We want to put more power into the hands of young people to give them more say. We will support local authorities to pilot opportunity cards to enable young people to take part in more positive activities, and we will provide a local opportunity fund, backed by a capital fund, to be spent in conjunction with young people. We will ensure that provision meets national standards and responds to local demand by placing a statutory duty on local authorities to secure access for young people to positive activities.

Stephen Hesford: I am obliged to my right hon. Friend for that answer. I welcome the Green Paper "Youth Matters", but more importantly students in my constituency welcome it. As she may know, I have carried out a consultation in four schools in my constituency, three of which I have visited and one of which has made a written submission. In the light of the enthusiasm that they have shown for the questions posed by this enlightened Green Paper, will she assure me that the avalanche of responses that she will have from my students will be fully taken into account?

Beverley Hughes: Indeed I can. I thank my hon. Friend and colleagues throughout the House who did a great deal during the summer months to talk to young people and to give them the young people's version of the questionnaire, which I am sure has made a big difference to the number of responses. We have had about 3,000 responses so far from young people alone, and I expect that to double by the end of the consultation. Young people are broadly very positive about the proposals in the Green Paper and we shall certainly take their views into account when we give our response.

Edward Miliband (Doncaster, North) (Lab): Will my right hon. Friend comment on the role that the Green Paper can play in engaging young people in services? The all-party group on youth affairs met for the first time in this Parliament yesterday and had a lively and interesting discussion with the young people who attended. One of the points that they raised was their hope that the Government's vision included not just demand-side subsidies through the opportunity card, but a commitment to supply-side investment in young people's services. Will my right hon. Friend reassure me that in the years ahead the Government will be making more of a priority of investment in young people's services?

Beverley Hughes: The supply-side mechanisms that we have included in the Green Paper are important, precisely because they will require local authorities and others to take account of which activities young people decide to take up. So that has been an important ingredient. However, I take my hon. Friend's point that the supply side is also important. It is encouraging to note that during 2003–04 and 2005–06 local authorities increased their funding by 12 per cent. and the out-turn for 2003–04 was considerably higher even than the budget requirement. There is a growing recognition that more needs to be done to invest in activities and opportunities for young people, and local authorities are taking that very seriously.

Tim Farron (Westmorland and Lonsdale) (LD): What does the Minister think that it says about the Government's commitment to young people's participation in democracy that we invest in giving citizenship education to young people up to the age of 16, but deny them the right to use a vote until they are 18?

Beverley Hughes: Clearly, there are many views on the issue. I spent some time discussing it with young people during the consultation process and there is considerable support for a vote at 16, but I do not think that anyone would want to introduce that until we could ensure that young people would use it in significant numbers. As we know, there are tremendous pressures on young people, and that is not top of the list for many 16 and 17-year-olds, although I accept that it is an issue for some. We will have to go down that route when we are sure that that is what the majority of young people would not only want but use.

Local Services (Young People)

2. **Rosie Cooper** (West Lancashire) (Lab): What measures she plans to put in place to enable young people to play a greater role in decisions on the provision of local services. [22042]

The Parliamentary Under-Secretary of State for Education and Skills (Phil Hope): Involving young people in decision making is essential if we are to ensure that services meet their needs, and local authorities are required to consult young people while developing their children and young people's plan. As my right hon. Friend the Minister for Children and Families has just been saying, the new youth opportunity card, announced in the "Youth Matters" Green Paper, will develop that involvement further. I urge all hon.

Members to encourage their local authorities to involve young people in decision making. I draw attention to the participation works initiative, launched only yesterday, which provides online useful services to help young people involved in participation.

Rosie Cooper: In West Lancashire, there are 118 unemployed 16 to 18-year-olds and just 20 live vacancies. I want the local authority and various organisations and partnerships to be very much involved in planning services that best meet their training, education and employment needs. How can the Minister help me to do that?

Phil Hope: As my hon. Friend will know, young people become disengaged for a wide variety of reasons. They often need individual personal support to work out their needs and to gain access to opportunities such as education, training and jobs. My hon. Friend is right to suggest that local partnerships such as children's trusts should provide opportunities for young people to access those services at the best time and in the best place. She might like to consider ways in which young people can be involved in planning such services by taking part in discussion and working groups with youth workers and others to find out what their needs are and how to meet them. In Lancashire, some of those partners are setting up an internet TV project to generate views about such issues so that services can be responsive to their needs.

Greg Clark (Tunbridge Wells) (Con): Is the Minister aware that in the City of Westminster the council recently threw open swimming pools across the borough for young people between the ages of 11 and 18 to use them after school free of charge? Is not that exactly the type of provision that should be available under opportunity cards, and will the Minister commend it to other excellent authorities around the country?

Phil Hope: I am glad that some of our policies are making a splash at last. We often identify examples of good practice where local authorities and partners listen to the needs of young people and open up opportunities for them to participate. That is a great thing to do. I only wish that in the Tories' manifesto at the last election they had bothered to mention the participation of young people—an absence that spoke volumes about the priority that they give to young people's needs.

Richard Burden (Birmingham, Northfield) (Lab): In light of what my hon. Friend says about the importance of involving young people, will he join me in welcoming an initiative in Northfield, where a young people's forum has been set up and given a budget top-sliced from money devolved from the city council? Does he agree that putting in such material resources can help, but that the challenge of reaching hard-to-reach young people involves more resources going into young people's services globally?

Phil Hope: My hon. Friend is right. It is good to hear of another example of local authorities devolving budgets to young people to enable them to take responsibility for resources and to work with other young people in their communities to ensure that their needs are met—particularly the needs of those who are disengaged or alienated from the education system.

Another scheme that has been set up in various parts of the country is that of youth banks, whereby young people control resources and have to decide which grants should go to other groups of young people in the community. That is real empowerment of young people who are participating and taking more control over their own lives.

GCSE Results

4. **Kerry McCarthy** (Bristol, East) (Lab): What assessment she has made of the 2004–05 GCSE results. [22044]

6. **Mr. Siôn Simon** (Birmingham, Erdington) (Lab): What assessment she has made of the 2004–05 GCSE results. [22046]

The Secretary of State for Education and Skills (Ruth Kelly): Provisional results for 2005 show that 55.7 per cent. of 15-year-olds achieved five or more GCSEs or equivalent at grades A* to C. That is an increase of two percentage points on last year—the biggest year-on-year rise for more than a decade. It means that more than 63,000 more pupils are now achieving five good GCSEs or equivalent than did so in 1997. I congratulate pupils, teachers and their schools on that tremendous achievement.

Kerry McCarthy: Although GCSE results have improved across Bristol, we know that there is still some way to go. The same could be said of staying-on rates in full-time education for 16 and 17-year-olds, which stand at 74 per cent. and 58 per cent. respectively. Will the Secretary of State comment on how the proposals in the White Paper will help to address that situation?

Ruth Kelly: My hon. Friend is absolutely right to draw attention to the scandalously low staying-on rates in this country. Britain has one of the lowest staying-on rates in the entire industrialised world, and Bristol has one of the lowest staying-on rates in Britain. We have to transform that. We have a target for improving staying-on rates from an average of 75 per cent. to 90 per cent. over the next 10 years. We will do that by introducing specialised diplomas that mix vocational and academic education and allow people to study subjects that interest them in the places that interest them in the ways that interest them.

Mr. Simon: Will the Secretary of State join me in congratulating College high school in my constituency? This year, its GCSE results improved by a phenomenal 200 per cent. to 34 per cent. good passes from a disastrous 11 per cent. last year. Will my right hon. Friend reflect on the fact that the school is now finally fully staffed, successfully federated and making massive strides mainly because it has its third head in little more than two years? Schools should not trundle along in special measures while another generation of working-class kids gets written off. A failing school is not only a tragedy but an emergency. We cannot all go to Eton, can we?

Ruth Kelly: I send my personal congratulations to all the pupils and teachers at the school in my hon. Friend's constituency. It is a tremendous achievement, although I hope that it is only the first step on a long journey to securing even better results. My hon. Friend is right: in rare but nevertheless too many cases schools have languished in special measures, not only for one or two years but sometimes for five or six. That must come to an end. That is why I proposed in the education White Paper that if a school had not made rapid progress within a year of being put into special measures, something radical should be considered, including federating with a more successful school, which my hon. Friend gave as an example.

Mark Pritchard (The Wrekin) (Con): Does the Secretary of State share my concern that many of those who attain five GCSEs do not study languages? Will she give an undertaking to review the languages that are taught in our schools? In the context of global competition, will she consider adding Chinese and Urdu to the curriculum? Let me stress that there are some working-class kids on the Conservative Benches, too.

Ruth Kelly: The hon. Gentleman is right to draw attention to the need to promote modern foreign language teaching in our schools. Chinese is one of the fastest-growing modern languages in schools, with more and more opting to teach it as a specialism. Perhaps the best way to make our children enthusiastic about modern foreign languages is to teach them at primary school. That is why we have made a commitment that, by 2010, every child over the age of seven should learn at least one foreign language at primary school.

Mr. Andrew Mackay (Bracknell) (Con): Does the Secretary of State accept that her first duty is to protect the integrity of the GCSE examinations? Does she further accept that results should never be massaged so that schools appear to be doing better than they are? That does a huge disservice to the pupils.

Ruth Kelly: I completely agree with the right hon. Gentleman that we should preserve the integrity of GCSEs. Recently, the director of education at the Organisation for Economic Co-operation and Development reviewed our system for preserving the integrity of GCSEs and said that he knew of no more robust system in the world.

Anne Snelgrove (South Swindon) (Lab): Will my right hon. Friend join me in congratulating Churchfields school in my constituency, of which I am a governor? It almost doubled its GCSE results from 26 per cent. in 2004–05 to just under 50 per cent. this year. Will she reassure me and my constituents that the Government will continue to support and promote with employers and parents vocational GCSEs as an equal alternative to traditional GCSE courses? That is what they want and value.

Ruth Kelly: I certainly send congratulations to Churchfields school on its remarkable success in improving its GCSE results. My hon. Friend is right; vocational qualifications are hugely important and they have been undervalued in this country for generations. We need to start taking them seriously. That is why, later this autumn, I shall publish a delivery plan for implementing our 14 to 19-year-old specialised diplomas. They will, for the first time, give our young people genuine chances to study vocational qualifications of a high quality, which lead on to the next qualification and can even take students into higher education.

Mr. Mark Hoban (Fareham) (Con): Does the Secretary of State agree with last week's BBC research, which showed that not enough young people in our most improving schools were achieving A* to C grades in English and maths? Does she accept that the foundations of numeracy and literacy are laid at primary school, yet 44 per cent. of children leaving primary school are unable to read, write or count to the desired standard?

Ruth Kelly: The hon. Gentleman should study the record a bit more closely. Fifty-seven per cent. of our young people achieve the expected standard in reading, writing and arithmetic by the time they leave primary school. If we turn the clock back eight years, we find that figure reversed to 43 per cent. That achievement has been made after 50 years of no progress at all in raising primary school standards. Yes, I agree that we have to go further with English and maths, but I do not accept that schools have been downgrading their emphasis on those subjects because they are promoting vocational qualifications. Of course they must do more with English and maths; that is why we are making the GCSEs harder and why we are changing the league tables to ensure that schools reflect English and maths qualifications in the five GCSE results.

David Taylor (North-West Leicestershire) (Lab/Co-op): Sadly, earlier this week the Secretary of State for Education and Skills announced her plans to enfeeble and marginalise local education authorities. While she still has the opportunity, would she care to pay tribute to the county of Leicestershire—which is not Labour controlled—for successively achieving record GCSE results despite persistently being the worst funded shire county authority under both the previous Conservative Administration and our own? Finance and results do not always go together.

Ruth Kelly: I have a lot of respect for my hon. Friend, who I know takes these issues extremely seriously. I pay tribute to the work that has been done in Leicestershire to achieve this year's record results and I hope that the county will move from strength to strength. I should like to reassure my hon. Friend that there is a real role for local authorities in the education White Paper. I should also like to cite the view of the Local Government Association, which stated that it welcomes the new strategic role that has been given to local authorities.

Education White Paper

5. **Mr. Peter Bone** (Wellingborough) (Con): What discussions she had with the Prime Minister during the preparation of the education White Paper. [22045]

The Secretary of State for Education and Skills (Ruth Kelly): I have had several constructive discussions with my right hon. Friend the Prime Minister.

Mr. Bone: In Wellingborough, the Government have allowed a secondary school to be demolished, resulting in the overcrowding of all the other secondary schools, children being bussed out of the county for their education and others being left at home receiving no education at all. How does the Secretary of State reconcile that appalling record with her discussions with the Prime Minister?

Ruth Kelly: Our first duty is to ensure that every school is a good school. We have already halved the number of failing schools over the past eight years. GCSE results are at record levels this year, and we have seen their biggest rise for more than a decade. However, the hon. Gentleman is absolutely right to suggest that we have to go further. We have to enable schools to develop their own ethos, to link up with an external partner and to drive their results even higher. That is how we are going to promote choice in the system—by ensuring that every school is a good school and that all parents have the opportunity to choose between them.

Mr. David Clelland (Tyne Bridge) (Lab): The Secretary of State will be aware that many Labour Members have grave concerns about her proposals and cannot possibly support them in their present form. There is no question that she and the Prime Minister have the best interests of young people at heart, but many of us fear that the proposals could be damaging to many young people in Tyne Bridge and similar constituencies up and down the country. Will she undertake to enter into meaningful discussions with colleagues, particularly on the Labour Benches, before she pins her colours too firmly to the mast in this White Paper?

Ruth Kelly: I can certainly give my hon. Friend that assurance. The proposals in the White Paper are about driving up standards across the board, but they are particularly about meeting the needs of the most disadvantaged pupils in our schools in the most disadvantaged areas. We will do that by ensuring that those schools have the opportunity to get really professional help, to federate with successful schools, and to develop a sense of purpose and mission. If we combine those measures with really good choice for all parents and with the extension of free school transport rights, we will serve the needs not only of the nation but of disadvantaged pupils in particular.

Dr. William McCrea (South Antrim) (DUP): In further meetings with the Prime Minister, will the Secretary of State draw attention to the fact that there is great anger in Northern Ireland at the Government's plans to destroy grammar school education?

Ruth Kelly: I cannot sympathise with the hon. Gentleman's desire to have more selection in schools, or even to preserve the existing system of selection, particularly as that decision was, I understand, taken by the devolved Assembly.

Jeff Ennis (Barnsley, East and Mexborough) (Lab): As my right hon. Friend and the Prime Minister are aware, there is concern on the Labour Benches, particularly about the concept of trust schools. Will she reassure me and some of my Labour colleagues on how trust schools will be required to take their fair share of children with special needs and children on free school meals, rather than cherry-picking the best students?

Ruth Kelly: My hon. Friend makes the important point that when schools set their own admissions framework it ought to be within a national system that ensures fairness for everybody. Right at the heart of the White Paper is that principle—fair admissions together with fair funding and fair accountability.

My hon. Friend is also right to point to the needs of particularly disadvantaged children within that process. I have said that I will shortly lay regulations before the House that will ensure that when looked-after children are considered, for example, they have top priority when it comes to determining admissions for any particular school. When a child has special educational needs, that child will have automatic right to the school that is named in their statement. By 2007, I expect all schools also to be taking hard-to-place pupils, again giving them priority in the system. I hope that, on those points, the concerns of my hon. Friends and others are allayed.

Mr. John Maples (Stratford-on-Avon) (Con): I do not imagine that during discussions with the Prime Minister the Secretary of State had much time left over from putting out the row with the Deputy Prime Minister to discuss the problems in Stratford-on-Avon schools, but had she done so she would have found that there are three schools, all of which are completely full. The situation is getting worse because of Government housing targets. The high school, which is in a new building, simply cannot expand; the girls and boys grammar schools could.

In answer to a question on Tuesday, the Secretary of State said to me that she is continuing her predecessor's policy of not allowing the freedom of popular schools to expand to extend to grammar schools. So, we have a ridiculous situation in Stratford: the one school that cannot expand is free to do so and the two schools that can expand are not free to do so. What do parental and community choice at local level mean if such blind prejudice overrides them?

Ruth Kelly: I am very sorry that the hon. Gentleman thinks that fair admissions are blind prejudice. Fair admissions are at the heart of what we stand for as a Labour Government—fair admissions, fair funding and fair accountability. He is absolutely right that I do not want grammar schools to expand. I said it clearly in this House and I will continue to affirm it at every opportunity in this House. Nor can I understand why the expansion of grammar schools in his constituency is the best way to meet need. If there is space at those grammar schools, there should be non-selective education built to meet the needs of children in that area.

Dr. Brian Iddon (Bolton, South-East) (Lab): My right hon. Friend knows that I wrote to her when she was appointed to express my concerns over the choice agenda, particularly regarding the schools in her constituency and mine, and in Bolton's third parliamentary constituency. She is, of course, to allow good schools to expand. That will be detrimental to the schools in my constituency of Bolton, South-East. How does she define a good school?

Ruth Kelly: My hon. Friend is right to have concerns about his constituency, but those concerns are not substantiated in the White Paper. Indeed, in Bolton we have good leadership capacity expanding throughout the system, with the head teacher of Rivington and Blackrod high school becoming executive principal of Labybridge school—a new school that was in special measures over a number of years—and driving up standards, including a 5 per cent. rise in GCSE results this year. It is now able to help other schools to improve as well.

That is the system that I would like to be much more easily available to all schools in the country so that good leadership can expand, we can bring up the capacity of underperforming schools and every pupil has the opportunity to share in that success.

Mr. Edward Davey (Kingston and Surbiton) (LD): Will the Secretary of State confirm that under the White Paper she is not proposing to make the admissions code legally binding on schools? Will she also confirm that under the White Paper every school in the country could become its own admissions authority and be able to set its own policy with her as the ultimate arbiter? If that is all true, how can we be confident about fair admissions, given her recent ruling on the Oratory school in which she backed selection by parental interview—against her own admissions code?

Ruth Kelly: The White Paper introduces no change on admissions apart from toughening up the admissions procedures. The hon. Gentleman points to the current situation for foundation schools whereby rather than the local authority setting the catchment area or determining admissions, the school does. It does that within a fair admissions code, however, which is backed up on a statutory basis by the adjudicator. The adjudicator can rule on whether that admissions code has been preserved or whether there was a very good reason why the school could not abide by the admissions code, in which case it is referred to the Secretary of State. In the case to which he refers, the advice that I was given was completely unequivocal—there was no room whatever for discretion for the particular circumstances that pertained at that school. I hope that he will accept that our proposals are based on fair admissions, unlike those of the Conservative party, which would return us to a system of selection.

Helen Jones (Warrington, North) (Lab): Does the Secretary of State accept that many of us have concerns about her White Paper, because it talks about schools as though they exist in isolation? If a school proposes to become a trust school or to expand, what consultation does she propose to carry out with parents at other schools who might be affected by that expansion? What procedures does she intend to put in place to protect those children in schools whose numbers might be falling?

Ruth Kelly: I must disagree with my hon. Friend, even though she raises an interesting point. The freedom that we are granting for schools is to set their own admissions arrangements, within the fair code of admissions, and to manage their own assets and employ their own staff, but to work in collaboration with other schools. That is what divides us from the Conservative party. Our framework has local authorities as the strategic leaders of the system, rather than the system being run directly from Whitehall, with every school fighting for its own survival—the survival of the fittest. As to what will replace the school organisation committee in the process, local authorities will do so, because that is what they need to perform a fully strategic role, which they have requested.

Mr. David Cameron (Witney) (Con): What automatic additional freedoms will an individual school opting for trust status have compared with a school currently opting for foundation status?

Ruth Kelly: The White Paper sets out to make the freedoms for self-governing foundation schools much more easily available to trust schools. Those trust schools will negotiate with the Department for Education and Skills, using the power to innovate, which is already in the curriculum, to enable them to set the educational model for their school. That might mean greater vocational programmes, linking up with a local employer, or the sort of situation that we see in Knowsley, for instance. Once that is negotiated for one such school, however, it can be quickly applied to all the schools under its trust.

Mr. Cameron: What is interesting about that reply is that the real answer is none—there are no automatic extra freedoms, and none of them apply to individual schools. If the differences are not significant, is it not hard to believe that this limited trust status will prove that popular? Will the Secretary of State tell us how she plans to measure progress? In particular, what proportion of schools does she expect to take up trust status by the end of 2007?

Ruth Kelly: I expect that many schools will want to take up trust status—over time, perhaps the majority. Success will be determined, however, by how far trusts are able to raise performance in our school system. The hon. Gentleman is right that this has not just been dreamed up in the Department for Education and Skills; it is already working on the ground, in many parts of the country, to raise standards. For schools that want to go down that route, we want to make it as easily available as possible. That is the idea behind a trust school; it is about bringing in expert governance, linking to an external provider, enabling collaboration within a system in which such schools have freedom to manage their own assets and employ their own staff, and driving improvement throughout the system—unlike the old grant-maintained system in which schools were bribed to opt out of the system, to define themselves against other schools in the system and to opt for academic selection.

Adult Learning

7. **Kelvin Hopkins** (Luton, North) (Lab): If she will make a statement on funding for adult learning in (a) 2006–07 and (b) 2007–08. [22047]

The Minister for Higher Education and Lifelong Learning (Bill Rammell): The Government are broadly maintaining overall public spending to support adult learning, on average, until 2007–08, but we are shifting priorities in line with the national skills strategy to provide more longer and expensive courses to equip adults for employability. Less public funding will be available for leisure and recreation, so adults in non-priority areas will need to pay more, but at an average hourly cost of £1.94 by 2008, I think that is still a very good deal.

Kelvin Hopkins: Last Friday the Learning and Skills Council announced that there would be 230,000 fewer adults in education by 2007–08. Surely that contradicts our commitment to lifelong learning. Will the Minister look again, seriously, at funding for adult education?

Bill Rammell: That figure relates to publicly funded adult education. Part of the strategy means that if adults value the provision, we must ask them to pay a little more. Faced with a choice between supporting adult skills for the purpose of employability and to drive up productivity, and supporting adult leisure and recreation, I am convinced of which is the higher priority and where the money should go.

Mr. Stephen O'Brien (Eddisbury) (Con): Notwithstanding the Minister's desperate spin, just six days ago he announced swingeing cuts in the Learning and Skills Council's funding of shorter adult education courses. Where is the freedom for further education colleges when they are forced to remove half a million places—half a million people's chances to learn skills that, in today's world, the country desperately needs in order to meet the demands of local businesses? Is the Minister proud of the fact that he is scrapping courses leading to, for instance, a certificate in care skills, a foundation certificate in meat and poultry hygiene, a Red Cross qualification in preparing for an emergency, the award in providing a healthier school meals service, or the St. John's Ambulance lifesaver for babies and children?

Bill Rammell: There is no reason why our funding announcement should mean that those courses will go, but I will take no lectures from the Conservative party about further education funding. In the past eight years, the Government have increased the funding by 48 per cent. in real terms. Let us compare and contrast that with the 15 per cent. real-terms cut that the Conservatives delivered during their last five years in power.

The key question for the Conservatives is this. If they disagree with our strategy, what would they do? In the absence of a willingness to spend more public money, if they do not agree with our priorities, what would they cut in order to fund theirs? Funding for 16 to 18-year-olds, the roll-out of the national employer training programme, or funding for adult basic skills?—*[Interruption.]*

Mr. Speaker: Order. The Minister is answering the questions today.

Mr. Michael Foster (Worcester) (Lab): My hon. Friend will know that adult learning courses are provided at Worcester sixth-form college and Worcester college of technology, both of which are in my constituency and both of which are excellent institutions. There is, however, no post-16 provision in local secondary schools, although that does not apply elsewhere in Worcestershire. My constituents are at the wrong end of a 13 per cent. funding gap. When will it be closed?

Mr. Graham Stuart (Beverley and Holderness) (Con): When there is a Tory Government.

Bill Rammell: When there is a Tory Government—the Government who cut further education funding by 15 per cent. during their last five years in power.

I know that my hon. Friend the Member for Worcester (Mr. Foster) is particularly concerned about the issue that he has raised. I shall be meeting him shortly to discuss that and other issues. We have taken action to reduce the funding gap between further education and schools without putting schools at a disadvantage, and over the summer my right hon. Friend the Minister for Schools gave a commitment that we would try to tackle the funding anomalies between sixth forms and further education. We hope to make an announcement in the coming weeks.

City Academies

8. **Simon Hughes** (North Southwark and Bermondsey) (LD): What recent discussions she has had with the Chancellor of the Exchequer on the effect of value added tax on city academies. [22048]

The Minister for Schools (Jacqui Smith): My officials have had a number of discussions with Her Majesty's Treasury and Her Majesty's Revenue and Customs officials about VAT and academies. We are also having discussions with academies about the issue.

Simon Hughes: What we want is an answer. The Minister will know that when the Prime Minister attended the opening of the new buildings of the City of London academy in Bermondsey on 12 September, he gave a paean of praise to city academies, including these words:

"it is bringing new hope and breathing new life into the local community."

If that city academy must now find an extra £3.5 million so that it can open its doors to after-school, weekend and community activities—and the director of education for Southwark has made it clear that it will not be possible to deliver the programme that was intended—will Departments get their act together, sort

out the problem and prevent that threat, involving millions of pounds, from hanging over not just our city academy but every other city academy in the country?

Jacqui Smith: I share the hon. Gentleman's concerns, but we need to be clear that the specific issue under discussion does not prevent academies from providing community use of their facilities. It does limit their ability to charge for such use, which is an important issue that we are absolutely determined to sort out. That is why, for example, my officials are already working with the academy in the hon. Gentleman's constituency to consider ways of managing the situation and the practicalities of academies reclaiming VAT and accounting for output tax over the economic lifetime of the building. But I share his concern and I want to ensure that we sort this matter out. We are committed to doing so because we are committed to ensuring that academies play that role at the heart of their communities.

Jim Cousins (Newcastle upon Tyne, Central) (Lab): May I raise with my right hon. Friend another problem? These VAT rules mean that there is a strong bias in favour of new construction, rather than the improvement and conversion of existing buildings. That is why Newcastle's Liberal Democrats, when they asked the Government for a city academy, decided to close a perfectly good large school in my constituency with the largest ethnic minority student intake in the city. Does she recognise that precisely this difficulty will apply to foundation schools and to future trust schools?

Jacqui Smith: I do not accept my hon. Friend's final point. There is a specific factor relating to the independence of academies that leads to the particular VAT issue that we are considering. I do not know the details of the school to which my hon. Friend refers, but we should remember that such things are happening in Newcastle and other authorities in the context of considerable extra investment not only through academies, but through the building schools for the future programme, which will increasingly lead to new build and much higher quality school buildings—including across our entire secondary estate—over the next 15 years. But where there are specific, small, technical but nevertheless important issues that prevent us from achieving modernisation and community use of such facilities, we will of course work across government to sort out the situation.

Looked-after Children

9. **Ms Diana R. Johnson** (Kingston upon Hull, North) (Lab): What steps she is taking to tackle academic under-achievement by children in care. [22049]

The Parliamentary Under-Secretary of State for Education and Skills (Maria Eagle): Improving the educational achievement of looked-after children is a key priority for this Government. Thanks to the significant sums that we have invested, especially through the quality protects and choice protects programmes, we are making some progress. We are building on this in a number of ways—for example, via the duty on local authorities to promote the educational achievement of looked-after children that we introduced earlier this year.

Ms Johnson: I thank my hon. Friend for her reply. As a former chair of social services, I know from first-hand experience that a high priority has been given to looked-after children—a development that started under my right hon. Friend the Member for Holborn and St. Pancras (Frank Dobson). I draw my hon. Friend's attention to the large number of young people and children who are on the at-risk register. What steps can she take to encourage that group to do their very best in education?

Maria Eagle: I am happy to join my hon. Friend in commending my right hon. Friend the Member for Holborn and St. Pancras (Frank Dobson), whose intervention in this matter as Secretary of State for Health in 1998 is still remembered very well by those responsible for looked-after children. However, we still have to do more. My hon. Friend referred to children on the at-risk register, not all of whom would be looked-after children. There is no doubt that such very vulnerable children can face far more obstacles in ensuring that they progress as well as other children during their school years. The increasing emphasis that we are placing on targeted and personalised support—not only for the gifted and talented, but for the vulnerable—should ensure that such children get the proper support that they need when they need it, in order to overcome the extra obstacles that they face.

John Bercow (Buckingham) (Con): Given that children who languish either in institutional care or, indeed, in serial fostering arrangements face particular challenges, anything that the Government can do on that front to improve their prospects will be warmly welcomed on both sides of the House. May I ask the Minister in particular what is being done to ensure that there are plenty of opportunities for such children, first, for reading, and secondly, for adequate and monitored homework?

Maria Eagle: The hon. Gentleman raises some important points about stability of placement. One of the real difficulties that some looked-after children have in doing as well as they should at school and reaching their potential is that they are frequently moved—whether it be from foster placement to foster placement or from school to school. That often presents difficulties, making it more likely that such children miss more chunks of their schooling than others. We need to do more and we have a target to try to ensure greater stability in placement, which the Department is currently striving hard to reach. The further effort that we are going to put into targeted and personalised support—identifying the needs of these children through the children's trust arrangements, which will ensure that every child has more support at an earlier stage—will be an important step forward and help to ensure that these children are not left behind, languishing at the bottom of the pile, as too many of them currently do.

Dr. Roberta Blackman-Woods (City of Durham) (Lab): Will my hon. Friend join me in congratulating

Collingwood college of Durham university in my constituency on its excellent mentoring scheme, whereby university students mentor looked-after children in the area, help them with their studies and, most importantly, raise their educational aspirations? Will she look into ways of fully recognising and expanding that scheme?

Maria Eagle: I would be happy to pass on my congratulations to the college and institution that my hon. Friend mentions and to the people who are doing that work. I am looking into seeing what further proposals we can make to improve the opportunities for support and extra help that looked-after children receive, and I am convinced that improving the reality of corporate parenting and improving the reality of mentoring, support and high aspiration for each individual child who is looked after has to be a way forward. We need a pushy parent for every one of these children and I am looking into ways of carrying that forward.

Tim Loughton (East Worthing and Shoreham) (Con): One of the great unsung scandals of the education system is the achievement of looked-after children across all the qualification ranges. She quite rightly mentioned the problem of multiple foster placements. If a child is moved from one end of an authority to the other, the continuity and stability goes and, unsurprisingly, the educational achievement lapses. Does the Minister agree with our proposals for authorities to have a cap on the number of foster placements that can be made in a year for a particular child, other than in exceptional circumstances? That would help to give them stability at the same education provider.

Maria Eagle: We are pursuing that aim—I agree that it is important—to improve the stability of the lives of looked-after children so that they do not have multiple placements. The hon. Gentleman referred to a cap, but it is hard to impose a cap because of—*[Interruption.]* The problem is that individual circumstances make it difficult. Our target will, however, focus the minds of local authorities—it is already doing so—on increasing stability. That involves fewer placements for individual children, but there may be circumstances in which it is right for a child to move from one placement to another. That mitigates against the use of something as inflexible as a cap, but there is no disagreement between what the hon. Gentleman said and what we think about the importance of stability in the lives of these children.

Sure Start

10. **Mr. Clive Betts** (Sheffield, Attercliffe) (Lab): What plans she has to extend the Sure Start programme. [22050]

The Minister for Children and Families (Beverley Hughes): The Government intend to develop 3,500 Sure Start children's centres—one for every community—by 2010. There are currently about 400 designated children's centres, most developed from existing provision such as Sure Start local programmes and early excellence centres. About £435 million has been made available to local authorities in 2004–06 to develop centres in disadvantaged areas. From March next year, £947 million will be available for local authorities to create 2,500 children's centres by March 2008.

Mr. Betts: I thank my hon. Friend for that very welcome answer. I visited the Tinsley Sure Start scheme in my constituency recently, and hope to visit many similar schemes in the future. What impressed me most was the way that health and education professionals worked together to deliver a combined and integrated service for parents and children, some of whom are the most needy in our communities. Will she give an assurance that that close working relationship between health and education professionals will be maintained when the Sure Start scheme is mainstreamed to local authorities?

Beverley Hughes: As my hon. Friend rightly says, that is imperative. Indeed, the concept behind Sure Start and the children's centres was that there should be complete integration of services for young children at the point of delivery. Integrated services mean that parents do not have to go knocking on a number of doors. We know that that integration makes a real difference to children's well being in the early years and to their achievements later on.

It is imperative that the health services are involved. On my visits to children's centres, I have been very encouraged to see the presence of the health services, which even manage some centres. I welcome that, and would like the practice to be more widespread.

Curriculum Guidance

12. **Mr. Mark Harper** (Forest of Dean) (Con): When she last discussed curriculum guidance with the examination boards. [22052]

The Minister for Schools (Jacqui Smith): Neither my right hon. Friend the Secretary of State nor I have discussed curriculum guidance with the awarding bodies.

Mr. Harper: Has the Minister read the poem "Nothing's Changed" by Tatamkhulu Africa? It appears on the GCSE English literature syllabus and it advocates the bombing of a restaurant to advance social change. Does she think that teachers who teach the poem should be jailed under the proposed Terrorism Bill?

Jacqui Smith: I know that the increasingly numerous and highly professional English teachers in our schools will use the poem to inculcate in our young people precisely those attitudes to literature and terrorism of which all hon. Members would approve.

SOLICITOR-GENERAL

The Solicitor-General was asked—

Case Progress

21. **Dr. Doug Naysmith** (Bristol, North-West) (Lab/Co-op): How prosecutors ensure that victims are kept informed about the progress of a case. [22033]

The Solicitor-General (Mr. Mike O'Brien): The prosecutor's pledge announced by the Attorney-General on 21 October reinforces the Government's commitment to victims. Under it, prosecutors commit themselves to improved contact with victims about the progress of a case. Also, the "No Witness, No Justice" programme, a joint initiative with the police, ensures that victims are kept informed about a case through local witness care units.

Dr. Naysmith: I thank my hon. and learned Friend for that interesting reply. Does he believe that the prosecution can prevent publication and inappropriate reporting about victims in the media?

The Solicitor-General: For vulnerable witnesses, it is possible for the prosecution to make an application under section 46 of the Youth Justice and Criminal Evidence Act 1999. Such witnesses may be eligible for reporting restrictions, but the court must be satisfied that the quality of their evidence or their level of co-operation are likely to be diminished by fear or distress at being identified by members of the public.

In addition, there are obvious obligations in respect of the application of the sub judice rules, which ensure that media reporting of particular cases is restricted. However, those rules apply only while a case is in progress.

Mr. Nigel Dodds (Belfast, North) (DUP): Sometimes a difficulty arises with the manner in which victims are informed about the progress of a case. In one instance in my constituency, the police caused great distress when they called at the home of a victim's family, who would have been happier if the information had been conveyed in a more sensitive way. Does the hon. and learned Gentleman agree that it might be worth looking at how such information is sometimes conveyed?

The Solicitor-General: Certainly, how information is conveyed to people is important. For instance, a crime victim who is asked to give evidence in court can be distressed if the police visit is conducted insensitively. Obviously, police officers try to do their best, but they are human and therefore imperfect, and matters are not always handled properly. Increasingly, we are trying to get the CPS to take on much of that role, and we hope that it can be done in a way that enables the witness to have contact with witness care units, which provide not only that initial contact is made more sensitively but also that if a witness is nervous about having to give evidence, they have the opportunity to visit the court for a familiarisation tour. They can also be provided with help with child care, transport and other facilities to ensure that they are able to give their evidence, which is always a difficult thing to do, with the least possible trauma.

Mr. Brian Jenkins (Tamworth) (Lab): Will my hon. and learned Friend inform the House what special provision is given in the area where more victims withdraw before going to court than any other and where there is more intimidation and distress—domestic violence?

The Solicitor-General: My hon. Friend is right; domestic violence accounts for 16 per cent. of violent crime and involves 13 million women victims and 3 million male victims each year. It is a serious matter. The CPS has launched a major drive against domestic violence and there is now a national network of co-ordinators who work with various agencies to support the victims of domestic violence. Specialist courts, piloted in Caerphilly and Croydon, have shown that pulling together the various agencies to provide support for victims can improve conviction rates, as victims do not so often withdraw their evidence. In one of those courts, for example, there has been a dramatic fall in the number of retractions of victims' statements, from 53 per cent. to 17 per cent., as a result of such support to victims of domestic violence. The Government aim to create 25 specialist domestic violence courts and we have invested £1 million to do so.

Mr. Dominic Grieve (Beaconsfield) (Con): The Solicitor-General has confirmed that hitherto the main point of contact between a victim and authority on the progress of a case has been the police, and there are numerous examples of the breakdown of communication. He says that we shall move towards a new system in which the CPS will take the lead. Could he amplify that point? When will the crown prosecutor's office be the contact point for a victim rather than the police station, if that is the intention? How will that programme of change be rolled out?

The Solicitor-General: From the point of charge up to appeal, the aim is to achieve better direct communication between the victim and the CPS. The police will still have much contact, especially with witnesses and victims, so both the police and the CPS will be engaged in the process. Previously, as the hon. Gentleman says, it was primarily the responsibility of the police to make and maintain those contacts and to issue warnings, but as a result of the prosecutor's pledge and the way in which the CPS has developed in recent years, the CPS is taking on much more of that role. As it is the focal point of the prosecution case during court proceedings it offers a far better contact, rather than the prosecutor having to ring the police station each time they know something and hoping that the police officer will be able to inform the victim. Direct communication, which is being rolled out across the country and to which the prosecutor's pledge will give real impetus, will lead to victims receiving a much better service in the criminal justice system.

Simon Hughes (North Southwark and Bermondsey) (LD): The Solicitor-General will know that many victims, like other witnesses, are told that, for their personal safety they need to move from their home or move their business during a case. Many people affected say that such protection is still unsatisfactory; they cannot happily live their lives somewhere else while the case is going on and certainly cannot carry on a business, so will he and his colleagues from other Departments look into the issue?

The Solicitor-General: The hon. Gentleman speaks from personal knowledge, given the courage that he displayed in giving evidence in a particular case. He is

right that some witnesses fear intimidation and, sadly, some have good cause to do so because of the nature of the criminals about whom they are giving evidence. The aim of the police and the Crown Prosecution Service is to provide the maximum reasonable safeguard and protection. It is always difficult to make the right judgment, particularly when dealing with criminals who are very effective at getting at witnesses. I will talk to the police and the Crown Prosecution Service about ways in which we can continue to strengthen the support that we provide for witnesses. The hon. Gentleman had the courage to give evidence, as do many other witnesses. However, some witnesses withdraw their evidence—we must change that and provide them with greater protection.

Crown Prosecution Service

23. **Keith Vaz** (Leicester, East) (Lab): What steps he is taking to ensure that communication between the Crown Prosecution Service and victims of crime is improved. [22036]

The Solicitor-General: The Crown Prosecution Service is committed to ensuring that victims are kept informed wherever it is aware of new developments in a case. That can be done either through witness care units or by direct contact with victims. The prosecutor's pledge aims to learn from past mistakes to provide an improved communication with victims.

Keith Vaz: I am glad that the Solicitor-General referred to past mistakes, because he will know the case of my constituent, Robert Payling, whose son was murdered in Manchester by someone who was subsequently deported by the immigration and nationality directorate without proper reference to the CPS or the police. That was a complete shambles, as one part of the criminal justice system was unaware of what another part was doing. The CPS did not even inform the family of the victim of the crime. What steps is my hon. and learned Friend taking to ensure that that incompetence is not repeated?

The Solicitor-General: The Yin case has, I hope, taught us a valuable lesson about the need for better contacts between the CPS and the IND. A lack of information led the IND to deport a Chinese national who was on bail pending trial following the death of James Bishop, a pedestrian who was hit by a care driven by Mr. Yin. From 1 August 2005, under the direct access protocol, new information links were set up between the IND and the CPS to improve the exchange of information. At present, however, there is no duty on the IND to inform the police or the CPS about deportations. More work needs to be done on that. I regret that at present I cannot give my hon. Friend the assurance that the Yin case will never be repeated, but we are working to try to improve information exchange between the organisations.

Crown Prosecution Service (Northamptonshire)

24. **Mr. Philip Hollobone** (Kettering) (Con): What assessment he has made of the performance of the Crown Prosecution Service in Northamptonshire. [22037]

The Solicitor-General: The new Crown prosecutor in Northamptonshire has been appointed to tackle concern about the performance of the CPS. The area has restructured from four to two units, mirroring the police structure in the county. That will provide the necessary resilience, we hope, to service police charging centres as well, and it has freed prosecutors to service additional courts.

Mr. Philip Hollobone (Kettering) (Con): Victims of crime in Kettering and Northamptonshire would like an assurance from the Minister that all cases involving persistent young offenders will be brought to court within the 71-day target set by the Government.

The Solicitor-General: The average time from arrest to sentence for persistent young offenders in the area was reduced from 112 days in April 2005 to 85 days in July 2005, which is a significant shift in a short period of time. The CPS is working closely with the magistrates court to reduce those time scales further by prioritising the listing of young offender cases as soon as they are trial ready. We must make those cases trial ready, which is why the restructuring of the CPS is important, as it will enable it to link up much more effectively with the local police.

Business of the House

11.34 am

Chris Grayling (Epsom and Ewell) (Con): Thank you, Mr. Speaker. We are back to business as usual this morning. Will the Leader of the House give us the business for next week?

The Leader of the House of Commons (Mr. Geoffrey Hoon): The business for next week will be as follows:

MONDAY 31 OCTOBER—Second Reading of the Terrorism (Northern Ireland) Bill.

TUESDAY 1 NOVEMBER—Second Reading of European Union (Accessions) Bill.

The House will be asked to approve motions on the House of Commons Commission; Parliamentary Contributory Pension Fund; House of Commons Members' Fund and Public Accounts Commission.

WEDNESDAY 2 NOVEMBER—Consideration in Committee of the Terrorism Bill.

THURSDAY 3 NOVEMBER—Continuation of Consideration in Committee of the Terrorism Bill.

FRIDAY 4 NOVEMBER—The House will not be sitting.

The provisional business for the following week will be:

MONDAY 7 NOVEMBER—Second Reading of the Council Tax (New Valuation Lists for England) Bill.

TUESDAY 8 NOVEMBER—Consideration in Committee of the Electoral Administration Bill.

WEDNESDAY 9 NOVEMBER—Report Stage of the Terrorism Bill.

THURSDAY 10 NOVEMBER—Third Reading of the Terrorism Bill.

FRIDAY 11 NOVEMBER—Private Members' Bills.

Chris Grayling: Yesterday the Home Office indicated that it was considering a new "three strikes and you're out" system for supermarkets suspected of selling drinks to under-age drinkers. You have told Ministers on many occasions, Mr. Speaker, that new policy initiatives should be announced in the House, not through the media. Once again, the first we heard of that announcement was through the media. Why?

When will a Foreign Office Minister come to the House to brief us about the Government's response to the very worrying comments made about Israel yesterday by the Iranian President? I am sure the Leader of the House shares my great concern about what was said.

Following yesterday's revelations from the Secretary of State for Work and Pensions, may we have an urgent statement from a Minister in that Department? In particular, the House needs more details about the discussions that have taken place with DNA Bioscience about possible future work with the Child Support Agency. May we also be told what steps are being taken to ensure that no conflict of interest can possibly arise over the substantial shareholding in the company held by the Secretary of State's family, which may increase substantially in value if the company succeeds in winning business from the CSA?

Given the difficulties that both the Secretary of State and the Prime Minister's wife are experiencing, may we also have an urgent statement from the Prime Minister about the proposal to create a referee for the ministerial code? Had such a person been in post, the current embarrassment over these difficulties might have been avoided. The Leader of the House will be aware that the Committee on Standards in Public Life made such a recommendation to the Government, which the Prime Minister initially accepted, but nothing has happened since then. In the summer the Committee strongly criticised the Government's failure to act. Will the Government please explain that failure to the House?

Finally, there have been reports this week of turmoil in the Cabinet—in particular the suggestion that the Secretary of State for Health and the Secretary of State for Culture, Media and Sport squared up to each other in the battle over smoking in public places. Would it be sensible for the Leader of the House to ask the Administration Committee to investigate whether Ministers in such a position should be offered anger management counselling to ensure that the strong emotions that clearly exist in the Cabinet do not lead to someone getting hurt?

Mr. Hoon: The hon. Gentleman previously had a distinguished career in the media. I would not seek to advise him about the things that he chooses to believe or not to believe, but his previous career has probably given him a predisposition towards believing what he reads in the newspapers. I caution him against that. I realise that his training may have prepared him to do that—

John Bercow (Buckingham) (Con): So it is true, then!

Mr. Hoon: I am simply giving the gentlest advice to the hon. Member for Epsom and Ewell (Chris Grayling).

On supermarkets, I would not judge that that was a policy initiative. I hope that all hon. Members would recognise that it is a matter of enforcing the existing law. The convention, to which Ministers adhere, has always been that new policy announcements should be made on the Floor of the House. We are simply ensuring that the law, which has existed for a long time, is properly enforced. I hope the hon. Gentleman and other hon. Members will join me in welcoming that.

On Iran, that is a very disturbing development. I want the House to know that my right hon. Friend the Foreign Secretary has instructed that the Iranian chargé-d'affaires be summoned to the Foreign Office, where he will be told in no uncertain terms of the displeasure that the Government feel about those statements. I have seen some details of the speech, which I thought was thoroughly sickening. Not only this country, but other countries will be protesting about it.

I assure the House that it is my understanding that my right hon. Friend the Secretary of State for Work and Pensions has satisfied all the relevant rules relating to his position and that of his family. The hon. Gentleman raised the question of the Prime Minister's wife. I am sorry he did that. He received a letter earlier this year from the Minister without Portfolio, my right hon. Friend the Member for Makerfield (Mr. McCartney), who speaks on behalf of the Cabinet Office. Nothing new has occurred since then. There is no change in the position from what was set out in that letter.

[Mr. Hoon]

In my opening remarks I dealt sufficiently with the hon. Gentleman's final point.

Mr. David Heath (Somerton and Frome) (LD): May we have a debate on the prospects for this winter? Several hon. Members have mentioned possible problems with energy supply, so may I approach the matter from a slightly different position? If predictions of a severe winter are correct, many elderly people will be at risk. We know that when the average winter temperature last fell below 4° C, in 1995, 40,000 pensioners, sadly, lost their lives. Any money that goes to pensioners is always welcome, but 10 times more is spent on winter fuel payments than on the fuel poverty insulation scheme. We know that a third of pensioner households still lack adequate heating or insulation, so would it not be better to invest a little more in making pensioners' houses warmer not just this year, but every year?

May we have a debate on the tax credit system? The Paymaster General appears to be startlingly ignorant about what is going on in her Department. She appeared before the Treasury Sub-Committee yesterday, and when she was asked by my hon. Friend the Member for Solihull (Lorely Burt) about the ombudsman's finding of "systemic maladministration", she said:

"I don't know what she means".

Every other hon. Member knows what the ombudsman means because of the people who come to our surgeries, so surely it is time that we had another debate on the subject.

May we have a debate on conflict resolution? I hear what the Leader of the House says about the point made by the hon. Member for Epsom and Ewell (Chris Grayling), but it seems that some decisions in Cabinet take an unconscionably long time to sort out. I am sure that we could find better ways of resolving disputes so that the House can get on with its business.

Mr. Hoon: I anticipate that the question of energy supplies will be important. I made it clear yesterday in a different capacity—I suspect that is the right expression—that the Government keep the matter closely in mind. We have planned and prepared. I do not know whether this is the hon. Gentleman's intention, but it would not be especially helpful to debate the prospects for the weather this winter. I assure him, however, as I assure the House, that we have appropriate contingency measures in hand.

May I draw the hon. Gentleman's attention to an observation made by Matthew Farrow, the CBI's head of environment policy? He said as recently as 20 October:

"We don't see any situation in which households will be affected or even small businesses."

It is clear that even the CBI, representing British business, realises that we have the matter properly in hand. We must take weather warnings seriously, but we must not talk up a crisis unnecessarily. I emphasise the fact that we have the matter fully in hand.

I accept that all right hon. and hon. Members regularly receive representations about problems with the tax credits system, but I suspect that my right hon. Friend the Paymaster General was making it clear that the problem was not systemic—that is my experience, at any rate. There are a number of cases in which problems arise—generally, in my experience, as a result of significant changes to the circumstances of the people involved. Computer systems must be able to keep track of those changes and respond to them promptly, and I know that the matter is being addressed in the Treasury.

On decisions in Cabinet, I do not know whether the hon. Gentleman is offering his assistance to resolve these very difficult questions—I think that he will have to wait some time yet.

Mr. David Chaytor (Bury, North) (Lab): My right hon. Friend will be aware of the considerable interest, especially among Labour Members, in many of the provisions in the new education White Paper. He will also be aware of Labour Members' great enthusiasm for the White Paper's prominence to the concept of fair admissions. Does he accept, however, that the concept requires further clarification, especially regarding the role of selection by ability and by interviewing children? Will he find time for a debate on the concept of fair admissions so that we can clarify the matter in the near future?

Mr. Hoon: My hon. Friend is right to address this vital part of the White Paper. It is clear from my reading of the White Paper that it is permissive, in the sense that it does not provide a prescription for every part of the country. It allows parents much more say in the way in which their local school is managed and operated and in the various principles upon which it operates.

My right hon. Friend the Secretary of State for Education and Skills is describing a way of raising standards across the country but not necessarily saying that every structure for every part of the country will be identical. That is important because there are clear differences in the way in which children attend schools in London compared with other parts of the country. It is right that we find a way of ensuring higher standards that is consistent with what my hon. Friend says about fair funding and fair admissions.

Sir Nicholas Winterton (Macclesfield) (Con): The Leader of the House will be aware of the ongoing interest in the operation of the sub judice rule, not least in the light of the tragic events in London in July. No doubt the right hon. Gentleman will be aware that the right hon. Member for Southampton, Itchen (Mr. Denham), who chairs the Home Affairs Committee, has requested that the Procedure Committee look again at the sub judice rule.

The Procedure Committee produced an excellent report on the sub judice rule in the previous Parliament. Will the Leader of the House please arrange for an early debate on it so that the Procedure Committee, in the light of the Government's response, can further consider the sub judice rule?

Mr. Hoon: I am sure that that excellent report was the result of the excellent chairmanship of the Procedure Committee at the time. I hope that the hon. Gentleman is not in any way casting doubt on the

quality of that report in his suggestion about the need for further consideration. This is an important subject and I recognise that it is one that concerns right hon. and hon. Members. However, it is one that has to be approached with a degree of sensitivity. We cannot have unbridled commentary on current court cases. If that were to happen, judges and potential jurors would be placed in some difficulty. There has to be a balance. I thought that the previous report was a very good one. If there is serious concern that it did not go sufficiently far in addressing problems raised by Members, that is something that we should look at again.

Mr. Lindsay Hoyle (Chorley) (Lab): Will my right hon. Friend allow a debate on early-day motion 880 on the construction company, AMEC?

[That this House condemns the decision taken by AMEC to close its Adlington site; recognises that the company was established in Adlington by Leonard Fairclough 120 years ago and its subsequent success has been based on the loyal and highly skilled workforce in Adlington; expresses surprise at the decision given that brand new office facilities have only recently been built at Adlington only to find that in a short period of time they are abandoning the site; and calls on the management to repay this loyalty, review this decision and maintain their site in Adlington, helping to support the local economy.]

AMEC has been based in the village of Adlington in the Chorley constituency for 120 years. The different generations of families who have worked for the company made it very profitable. Indeed, it is one of the largest construction service companies in the world. We found out yesterday that it is willing to close its base in Adlington, where more than 200 jobs are based. That is the way in which the company is responding to the loyalty of the work force. There is no compassion in the company. It is only right to have a debate on the company, and on the chairman in particular.

Mr. Hoon: My hon. Friend is right to raise an important issue for his constituency. I well understand why he makes the point. It is important that companies fully recognise the effect of their decisions on communities. My hon. Friend has made his point extremely effectively.

Sir George Young (North-West Hampshire) (Con): May we have an early statement from the Secretary of State for Health to explain the shambles surrounding the Government's policy on smoking? We have seen a breakdown of collective Cabinet responsibility and of the normal confidentiality that surrounds Cabinet discussions. Do we not need a statement so that it can be explained why a Scottish Labour Member—the Secretary of State for Defence, whose constituents will benefit from a totally smoke-free environment in public places—has used his influence to impose on my constituents a less healthy option?

Mr. Hoon: This is a difficult issue. No one is pretending that these issues cannot be resolved sensibly. The issue is one of balancing the freedom of individuals not to suffer unwarranted exposure to cigarette smoke against the interests of not turning those people who want to smoke into pariahs in our society. That was put extremely well by the shadow Leader of the House when he made that observation, and it indicates that all political parties have their debates on this question. I should have thought that the right hon. Member for North-West Hampshire (Sir George Young) would welcome the fact that there was such public discussion of these issues.

I regularly receive complaints that, in fact, such issues are decided behind locked doors and that there is no possibility of having that kind of public discussion. Indeed, I congratulate the Conservative party on the various approaches it takes to the issue. In Wales, the Conservative health spokesman supported the ban on smoking in public places; in Scotland, the Conservative health spokesman opposed the ban. However, those positions are models of clarity compared with that of the shadow Health Secretary, who said in a speech last month that the Conservatives would replace the Government's plans

"either with the provision for a self-regulated approach, or a full statutory ban on smoking in public places."

So it appears that, in this country, the Conservative party's official position is both for and against a ban.

Mr. David Winnick (Walsall, North) (Lab): Does my right hon. Friend recall the feeling in the House on 7 July, when the mass murders took place? May we have a statement on whether the Criminal Injuries Compensation Authority will increase the compensation? I hope that the compensation will increase, but it is possible that any such increase will not apply retrospectively to the victims of the mass murderers of 7 July. Does my right hon. Friend recognise the point, which some hon. Members have repeatedly raised in the House, that it is only right that those who have suffered the most terrible injuries—the loss of one or both legs, arms and so on—should be properly compensated? They should be able to live the rest of their lives with every form of medical and financial support so that they can have a life after what occurred. I hope that such a statement will be made in the very near future. There is great concern on this issue.

Mr. Hoon: My hon. Friend has been assiduous in raising this issue and I congratulate him on continuing to do so. He raised it with my right hon. Friend the Prime Minister, who made clear our determination to ensure that early payments are made and to look again at the whole question of criminal compensation cases. My hon. Friend is absolutely right: it is important not only that we provide proper, speedy and effective compensation, particularly to the victims of terrorism such as that which took place on 7 July this year, but to recognise that there are many victims of crime who deserve fair compensation as a result of their injuries.

Mr. David Jones (Clwyd, West) (Con): The Leader of the House may be aware of the crisis in NHS dentistry in north Wales. This month, a surgery in Colwyn Bay closed its doors to NHS patients, leaving 7,000 of my constituents without access to an NHS dentist. In the whole county of Conway, there are now no NHS dental surgeries that accept new adult patients. Given that the collapse of the dental service amounts to a serious breach of the Welsh Assembly Government's statutory obligations on health care, will the right hon. Gentleman arrange for the Attorney-General to make a

[Mr. David Jones]

statement to the House on whether proceedings should be instituted against the Assembly, pursuant to schedule 8 of the Government of Wales Act 1998?

Mr. Hoon: Hon. Members raised the issue of dentistry on a number of occasions during business questions in recent weeks, so I conducted some research. The hon. Gentleman will forgive me if I state the obvious: the training of dentists takes a number of years. There appears to have been a significant cut in the training of dentists under the last Conservative Government, who significantly reduced the number of places available, and it has inevitably taken some time to improve the number of dentists, simply because of the length of the training that is required. About 1,000 new, trained dentists are now available across the country. Obviously, we will continue to expand the number of places to ensure that that provision is available generally in the whole of the United Kingdom.

Mr. Denis MacShane (Rotherham) (Lab): May we have an early debate about setting up a joint committee of the House and the US Congress to investigate very serious allegations against an hon. Member, to whom, of course, I have sent a note informing him that I would raise this matter today? Of course I cannot comment on those allegations. The hon. Member for Bethnal Green and Bow (Mr. Galloway) employs very expensive libel lawyers to stop any press investigation into his role as Lord Haw-Haw for one of the worst tyrants in world history who is responsible for killing more Muslims than anyone else in the history of that great religion. Surely, we need a joint Congress and Commons committee of inquiry to settle the truth once and for all, because if any of the allegations of financial receipts—the financial trade is vital—in this report are true, not just the hon. Member's reputation but that of the House is at stake if it does not deal with it. I ask my right hon. Friend to contact his opposite number in the US Congress, set up that committee and clear up this matter once and for all.

Mr. Hoon *rose—*

Mr. Winnick: Where is Galloway?

Mr. Speaker: Order. Remarks like that are not helpful. The right hon. Member for Rotherham (Mr. MacShane) asked a question that was within order, but the hon. Gentleman is out of order by shouting, "Where is Galloway?" That is totally out of order.

Mr. Hoon: My right hon. Friend has more than made his point given the content of his question. Obviously, the House should take the matter seriously, but I remind him that we had a brief discussion at the start of business questions about the sub judice rule, and as I understand that the matter is being referred to the appropriate legal authorities in the United States for their consideration I had best leave his words to speak for themselves.

Mr. Philip Dunne (Ludlow) (Con): The Chancellor likes to lecture Opposition Members about the economy's productivity and efficiency under his stewardship. Will the Leader of the House please take a lesson from the Chancellor in organising his Department so that he can inform the House of what hours we are likely to sit and over what period two or three months hence?

Mr. Hoon: The hon. Gentleman will be aware that the sitting hours of the House has been a vexed question for a number years and that we are currently operating a compromise arrangement for hours of work. I hope that he would agree that, whatever our personal views of the present arrangements, we ought to allow that compromise to continue for some time. If he was referring to the wider question of the calendar and sitting dates for Parliament, I assure him that I will put him out of his misery quite soon.

Mr. Pat McFadden (Wolverhampton, South-East) (Lab): Will the Leader of the House consider making time available for a debate on the contribution of senior citizens to our national life? In particular, will he consider the idea of marking a specific date in the calendar as senior citizens awareness day? A very strong campaign for that is based in Bilston in my constituency, led by the redoubtable campaigner, Tom Larkin. I am sure that that idea would receive wide support from all parties in the House, and I ask him to give serious consideration to it.

Mr. Hoon: I certainly congratulate my hon. Friend's constituent. I have had the privilege of visiting Bilston from time to time and I know just how strong and effective that community is. I also understand from him how effective that community is in supporting its senior citizens. I am sure that the idea can be given serious consideration.

Pete Wishart (Perth and North Perthshire) (SNP): Last week, there was a call to hold a debate on trade justice to coincidence with the mass lobby of Parliament on Wednesday next week. Predictably, looking at today's business statement, there is no such space for any such debate. Does the Leader of the House agree that the House should be responsive to our constituents' concerns, especially when they are prepared to come to the House in such vast numbers? Will he do all that he can to persuade the Secretary of State for Trade and Industry to come to the House at least to make a statement on the Government's intentions in that respect?

Mr. Hoon: We are not divided over that issue. The Government strongly support trade justice. Ministers at the Department of Trade and Industry and other Ministers involved in international negotiations have put the case very forcefully. Indeed, it is fair to say that the Government have led the way in arguing, not only in those international discussions but domestically, that it is important that we develop those principles. If the hon. Gentleman were being fair, instead of implying criticism of my right hon. Friend the Secretary of State for Trade and Industry, he would congratulate him.

Huw Irranca-Davies (Ogmore) (Lab): Will the Leader of the House find time for not only a statement but a full debate in the House on Iran to discuss the implications

of the President of Iran's appalling statement recently and the response of the president of the Iranian resistance, who said:

"I again declare that a third option, namely democratic change through the Iranian people and resistance, is the only serious option in dealing with the Mullah's unbridled dictatorship, which is not only the enemy of the Iranian people, but also the enemy of peace, democracy and humanity."

It is time that we had the opportunity to debate in the full and in the round on the Floor of the House the potential of those who are committed to democratic change indigenously within the region.

Mr. Hoon: My hon. Friend makes a good point. I have already indicated to the House the Government's serious concern about the statement made by the new Iranian President. Other aspects of what is happening in Iran at present are causing the Government considerable anxiety. I certainly recognise that this is a matter that the House will want to consider in more detail at a later date.

Dr. Julian Lewis (New Forest, East) (Con): Does the Leader of the House recall from his time as Secretary of State for Defence the settlement announced in 2000 of claims for the British internees in the far east under the Japanese, and the award of £10,000 for each of them? Five years later the Government stand condemned by the parliamentary ombudsman for retrospectively excluding about 700 people who suffered in that way. May we have a statement on the Floor of the House from the Minister with responsibility for veterans about the derisory offer of £500 compensation to those people affected, instead of him continuing to shelter—it saddens me to say this—behind what have so far been two written ministerial statements?

Mr. Hoon: The hon. Gentleman has followed these matters with great care, and I heard supporting voices from the Opposition Benches, but I was very proud of what the Government did in providing compensation to far eastern prisoners of war. My father served in the far east and I recognise that that was a particularly brutal and nasty aspect of conflict that affected many people. It is necessary that these decisions are subject to rules, and I assure him that a great deal of thought and care was given to drawing them up. This was a matter not of looking at the cost, but of trying to ensure that the rules were fair. The hon. Gentleman referred to 700 people. I hope that he will take it from me that drawing in another group will not necessarily solve the problem to which he refers, because by adjusting the rules to take account of a further group, another larger group may well become eligible. These matters have also been subject to litigation. I assure him that my right hon. Friend the Secretary of State for Defence and other relevant Ministers look at these issues with as much compassion and sensitivity as possible. Bearing in mind that no previous Government had taken such a decision, we brought forward the scheme because we felt that the country owed a debt of honour to those people who suffered in that way in the course of the second world war. But it is not possible simply to provide an unlimited scheme. The scheme has to be subject to certain rules, and those rules necessarily unfortunately exclude some people from participation.

Anne Moffat (East Lothian) (Lab): I, too, would like to ask my right hon. Friend for a debate on fair trade, but I should like to ask for it from a positive perspective, because it could be used to encourage local authorities to become fair trade councils. Local authorities could encourage events such as those that are taking place in my constituency on Saturday, where a house has been turned into a fair trade shop in which Fairtrade goods will be sold, so that the communities are encouraged to buy those products. I congratulate Lesley Wilson, who has championed the cause in my constituency.

Mr. Hoon: I am extremely grateful to my hon. Friend for putting the matter in such a positive way. This is something that the Government take extremely seriously, and I know that it is also taken seriously by a number of local authorities throughout the country. I am delighted that her local authority and people in her constituency are promoting the event on Saturday.

Mrs. Cheryl Gillan (Chesham and Amersham) (Con): I do not know whether the Leader of the House is aware that some major international decisions on space matters are due shortly, namely on global monitoring for environment and security, Galileo and Aurora, all of which affect several Departments of State and research councils. In addition, at the European Space Agency's ministerial council in December, important decisions will be made on the level of UK participation in those European flagship programmes. Will the Leader of the House give some serious thought to whether we can have a debate in Government time on space matters so that we can probe the Government on their intentions for UK participation and highlight some of the first-class science that is being carried out by British firms and research establishments?

Mr. Hoon: I congratulate the hon. Lady on raising these important issues, not least by giving such emphasis to science, which is sometimes neglected in our discussions in the House and in the country, despite the fact that we have some of the world's leading scientists and some of the best research on these questions. I am always intrigued by the range of my responsibilities. I am delighted that they extend into space, and I shall certainly encourage my colleagues to ensure that the House is kept fully informed of the way in which those particular issues develop in the course of the British presidency.

Mr. Clive Betts (Sheffield, Attercliffe) (Lab): Will my right hon. Friend organise an early debate on the future of the special steels industry, which would allow an opportunity for Sheffield Members to raise the worrying announcement this week from Outokumpu, a large steel producer in my constituency, of 700 redundancies? I want to seek assurances that the Department of Trade and Industry and Yorkshire Forward will use every possible endeavours, first to save what jobs and production capacity we can, secondly to ensure the future of the remaining 800 jobs, and finally to give every assistance to those workers who do lose their jobs to find alternative work and to obtain the necessary retraining.

Mr. Hoon: My hon. Friend is absolutely right to raise that disturbing development. I was aware of that

[Mr. Hoon]

prospective announcement, and it is a matter that I know will cause grave concern in and around Sheffield, which has such a great heritage, particularly in the special steels industry. I am well aware that the matter will cause great anxiety to families and people in Sheffield, and it is important that they are supported. I can assure my hon. Friend that my right hon. Friend the Secretary of State for Trade and Industry will provide appropriate support and assistance to those who may be affected by the announcement. The Government certainly take the matter seriously.

Mr. Nigel Dodds (Belfast, North) (DUP): May we have an early debate in Government time on the Government's plans for post-primary education in Northern Ireland and the Government's attack on Ulster's fine grammar schools? Such a debate would provide an opportunity for the Government to correct what the Secretary of State for Education and Skills said earlier at Question Time when she said that this had the support of, and had originated in, the Northern Ireland Assembly. That is not the case, because the Assembly did not have the opportunity to vote on the matter, and the people of Northern Ireland have made it clear, through a household survey of the entire Province, that they reject the Government's plans. May we have an early debate so that the Government can be tackled on the issue?

Mr. Hoon: I am slightly disappointed in the approach taken by the hon. Gentleman to education matters in Northern Ireland, not least because my right hon. Friend the Secretary of State for Northern Ireland recently announced a specific fund to help the education and training of young people and students in Northern Ireland, amounting to some £45 million in the next financial year, rising to £55 million thereafter. That demonstrates the determination of my right hon. Friend and the Government to ensure that Northern Ireland benefits from higher standards of education and training across that part of this country.

Mark Durkan (Foyle) (SDLP): As I take it that the Leader of the House will not afford a debate on education changes in Northern Ireland, will he afford a debate in Government time on the Government's proposals for the review of public administration? We want to debate not just the question of the future shake up of local government, but the implications for the picture of inequality that already exists in Northern Ireland as a result of the distribution of Government jobs, newly created jobs, employment and long-term unemployment, which all show a deep and graphic disparity, as demonstrated on maps produced by the Equality Commission for Northern Ireland. In the context of such a debate, we will be able to question what the Government are doing with jobs that were previously decentralised to my constituency and that are now under threat, and the implications of the electronic human resources contract being let by the Northern Ireland civil service, which again seems to be going the way of the centralised Belfast approach, and will add to the phenomenon of inequality that in my part of Northern Ireland is becoming known as the Hain drain.

Mr. Hoon: I am grateful to the hon. Gentleman for setting out his concerns in such detail. I am not sure that I will be able to do justice to the full range of issues that he raised, but let me restate the determination of my right hon. Friend the Secretary of State for Northern Ireland in the form of funding for several initiatives in Northern Ireland. He is demonstrating that he takes very seriously the issues that the hon. Gentleman raises.

Let me emphasise to all right hon. and hon. Members the opportunities afforded by Westminster Hall. There are not always sufficient requests for debates there, and several of the matters that have been raised, including that raised by the hon. Member for Foyle (Mark Durkan), may be suitable subjects for debate in that forum.

Mr. John Hayes (South Holland and The Deepings) (Con): The Leader of the House may recall that on 20 July I asked the Prime Minister to look again at the issue of prescription charges for cystic fibrosis sufferers. The Leader of the House will know that those people are affected by an historical anomaly that means that they do not get free prescriptions. Will he arrange for an urgent debate on the plight of vulnerable people? Given, too, the threat facing Alzheimer's sufferers in respect of drug treatment and the Government's failure adequately to address the issue of the early diagnosis of autism in children, a picture is emerging—I am sorry to have to say this—of a heartless Government who are insensitive to the needs of the most vulnerable Britons.

Mr. Hoon: I simply do not accept the hon. Gentleman's charge. The Government have shown themselves to be remarkably sensitive to the importance of allowing the prescription even of drugs that have not yet entirely completed the licensing process, to use a recent illustration, because of widespread public concern and the need to ensure that effective drugs are brought into use as soon as possible. I am in no way diminishing the importance of the issues that the hon. Gentleman raises, but they would be a suitable subject for debate in Westminster Hall, which gives right hon. and hon. Members an opportunity to debate such important matters.

Martin Linton (Battersea) (Lab): Will my right hon. Friend arrange for the Transport Secretary to come to the House to make a statement on navigational standards on the Thames? If he is a driver, my right hon. Friend will know that Battersea bridge is closed to motorists as a result of the 10th strike in 10 years, yet it remains perfectly legal to drive a barge in the Port of London without any training and without a licence. Apart from the current incident, which is still being investigated, all those bridge strikes have involved misjudgement or miscalculation by the person navigating the barge.

Mr. Hoon: I know that that is a very important issue not only for my hon. Friend's constituents but for Londoners generally. He is right to draw attention to the

question of training and skills for those who drive—I am not sure that "drive" is the right word—barges. It appears that the new boat master's licence for inland waterways, which will become law during 2006, will extend competency requirements to freight-carrying vessels in categorised waters. It is obviously an important issue that needs addressing.

Mr. Brian Binley (Northampton, South) (Con): Does the Leader of the House ascribe the recent discord in the Cabinet on smoking to the fact that we have a fag-end Prime Minister? Will he call on the Prime Minister to set an early resignation date so that cohesion and some form of leadership can be restored?

Mr. Speaker: Order. That is certainly not the business of the House.

Mr. Hoon: The answer to the question is no.

Ms Dari Taylor (Stockton, South) (Lab): May I press the case for an early statement on the Government's position on smoking in public places? The figures are well known and very alarming. Passive smoking kills 30 people every day and kills two employed people every working day. The figures are very alarming and we should acknowledge them. We are told in the press that the Government believe that a partial ban is feasible and a total ban is not easily policed. Those arguments should be expressed on the Floor of the House so that all hon. Members have the opportunity to hear them and, frankly, to dispute them.

Mr. Hoon: I have already made it clear that these are difficult issues that require a balance to be struck. When making such judgments, it is always the case that the place where the line is drawn will provoke different reactions from different parts of the community. It is therefore the Government's job, after proper and serious debate, to reach a conclusion. That conclusion has been reached. I remind my hon. Friend, in the politest way possible, that the judgment has been reached on the basis of the manifesto on which she and I were elected and that we argued before the country as a reason for voting for us. It is therefore a proper basis on which to proceed.

Mr. Andrew Mackay (Bracknell) (Con): The Leader of the House will be aware that this week in the House of Lords the Racial and Religious Hatred Bill was amended in a very major sense by a large majority with all-party support. May I have an assurance that that amendment will be accepted when the Bill returns to the Commons? If not, may we have a guarantee of extra time to debate the amendment, which has a clear majority in the country and should have a clear majority in this House as well?

Mr. Hoon: The Government were obviously extremely disappointed by the vote in the House of Lords. It is important that the majority view of the House of Commons should prevail, although I recognise that in such matters it is equally important that there should be a degree of consensus. My right hon. Friend the Home Secretary will be looking to achieve a consensus on the basis, we hope, of agreement in the House of Lords; otherwise, we will have to look at the matter afresh.

Martin Salter (Reading, West) (Lab): The Leader of the House will be aware of the Home Office's intention to outlaw the possession of violent internet pornography, as demanded by Liz Longhurst, the campaigning mother from Reading whose daughter was brutally murdered by a man obsessed with internet images of rape, torture and necrophilia, and who was recently awarded the Pride of Reading prize for her inspiring work. Can the Leader of the House tell us when these matters will be brought before Parliament?

Mr. Hoon: I congratulate my hon. Friend's constituent. I have seen reference to her campaign in the media. I recognise that this is an important subject and one that all parents are concerned about, and I hope that she continues and is successful.

Mrs. Nadine Dorries (Mid-Bedfordshire) (Con): Will the Leader of the House consider making time for an urgent and full debate on the education White Paper, which was brought to the House with a statement this week? I ask because there is obvious confusion and great unhappiness among Members on both sides of the House, and such a debate would give us all the opportunity to air our concerns fully.

Mr. Hoon: Given that we have already had this week a very long and detailed statement together with a very long and detailed opportunity for right hon. and hon. Members to question my right hon. Friend the Secretary of State for Education and Skills, I am surprised that hon. Members are complaining within a matter of 48 hours. I suggest some detailed reading of the White Paper, as an opportunity for further debate and discussion will undoubtedly arise at some stage in the future.

Points of Order

12.18 pm

Mr. David Heath (Somerton and Frome) (LD): On a point of order, Mr. Speaker. During business questions, the Leader of the House, in response—a very careful response—to the right hon. Member for Rotherham (Mr. MacShane), gave what I think was an inadvertent impression that the sub judice rules apply to cases that may or may not be brought before jurisdictions other than our own. Can you confirm that that is not the case and that we are free to comment on cases that are before foreign courts?

Mr. Speaker: It does apply to the UK jurisdiction. I urge the House to be very careful when any attack is made on an hon. Member. We know the conventions of the House when we are dealing with these matters.

John Bercow (Buckingham) (Con): On a point of order, Mr. Speaker. In the light of the growing scandal of the arbitrary and unsafe removal of failed asylum seekers to Zimbabwe, Somalia and Sudan, to name but three countries where returnees are at risk of imprisonment, torture, death or a grisly combination of all three, have you received any indication from a member of the Government that Ministers intend to make a statement about the systems that they will put in place and the painstaking efforts they will make to ensure that individuals are not returned to countries whose Governments cannot or will not guarantee their safety?

Mr. Speaker: I think that perhaps the hon. Gentleman is asking a failed business question. It is not a matter for the Chair.

BILL PRESENTED

Health

Ms Secretary Hewitt presented a Bill to make provision for the prohibition of smoking in certain premises, places and vehicles; to make provision in relation to the prevention and control of health care associated infections; to make provision in relation to the management and use of controlled drugs; to make provision in relation to the supervision of certain dealings with medicinal products and the running of pharmacy premises, and about orders under the Medicines Act 1968 and orders amending that Act under the Health Act 1999; to make further provision about the National Health Service in England and Wales and about the recovery of National Health Service costs; to make provision for the establishment and functions of the Appointments Commission; to make further provision about the exercise of social care training functions; and for connected purpoces: And the same was read the First time; and ordered to be read a Second time tomorrow, and to be printed. Explanatory notes to be printed [Bill 69].

Orders of the Day

National Insurance Contributions Bill

Order for Second Reading read.

12.20 pm

The Paymaster General (Dawn Primarolo): I beg to move, That the Bill be now read a Second time.

At the time of the pre-Budget report on 2 December 2004, I made a statement to the House that outlined how, despite the best efforts of successive Governments since 1994, we continued to be presented with ever more complex and contrived arrangements designed to avoid income tax and national insurance on the rewards from employment. I made it clear that we intended to close down such activity permanently.

In my statement, I recalled that earlier attempts at such avoidance took the form of paying bonuses and salaries in gold bullion, diamonds and fine wine. When those routes were closed, employers started to pay bonuses through ever more sophisticated financial instruments and securities to reduce the amount of national insurance that they had to pay, to avoid their obligation to operate pay-as-you-earn and to reduce employees' tax bills.

The tax avoidance disclosure rules that were introduced in the Finance Act 2004 brought to light many—more than 100—examples of such schemes that had been devised or marketed by promoters. That showed that a significant minority of employers and their advisers were continuing to devise, operate and market ever more contrived avoidance schemes to disguise what is, in effect, remuneration. Without prompt and decisive action, there was a genuine possibility of tax and national insurance contributions avoidance schemes continuing, to the detriment of the Exchequer and the many employers and employees—the majority—who pay their fair share of tax and national insurance.

I gave notice of our intention to deal with any similar arrangements that emerged in future that were designed to frustrate our intention that employers and employees should pay their fair share of tax and national insurance on the rewards from employment. When we become aware of arrangements that attempt to frustrate that intention, we will introduce legislation to close them down and, when necessary, with effect from 2 December 2004.

Mr. Mark Field (Cities of London and Westminster) (Con): Does the Paymaster General accept that one of the problems is the complication of the tax system since 1997? It means that it is inevitably in the interests of employers and some employees that income should not be regarded as such but regarded as capital for lower taxation. How many of the 100 schemes that she mentioned are straightforwardly designed to turn what might be described as income, and therefore in a somewhat grey area, into capital that is thus subject to a capital gains tax levy, which is generated at a lower level?

Dawn Primarolo: The hon. Gentleman may know the answer from discussions during the proceedings on the Finance Act 2005. However, let me provide a short list of the sort of schemes that have been operating in relation to bonuses that are payment for employment. In 1991, such schemes used unit trusts to shield bonuses and the previous Government closed them down. In 1993, gold bullion and tradeable commodities were used and subsequently closed down. However, the schemes returned in 1994, using diamonds and fine wine. They were closed down but another type of scheme returned again in 1995 with grants of options in third-party companies. In 1996, own-company share awards and options were offered.

All those schemes reveal a systematic and continued attempt to use contrived schemes for payment for employment, which should come within the PAYE system. The issue is whether tax and national insurance are paid on the relevant forms of income. The Bill tries to provide for that. I hope that, as I go through the provisions, the hon. Gentleman will be satisfied that the measure is specifically targeted and that it includes the necessary safeguards to ensure that. I hope that he will agree that the Bill is a proportionate and relevant way to tackle the problem.

Mr. Field: The Paymaster General has made a good case for dealing with some contrived schemes that operated for over a decade, but I suspect that the previous Government closed them all down. However, given the complexity of the tax system, which creates an obvious incentive in a grey area to characterise what might have been described as income in the past as capital because of the lower tax rates, how many of the 100 schemes that were being marketed on 2 December 2004 are straightforward rather than the extreme contrivances that we all agree should have been closed down?

Dawn Primarolo: My advice is that they are all contrived schemes of the same convoluted nature as their predecessors. The hon. Gentleman spoke of complexity, and overcoming that has been a frustrating problem for hon. Members, especially those of us who serve on Finance Bill Committees, and for those who have to implement the legislation. To close down a complex and sophisticated scheme, we need a sophisticated and complex measure. Our measures make a clear and unambiguous statement: do not undertake contrived schemes. They will be closed down whenever they are identified. Closure could be backdated to the December 2004 statement.

Rob Marris (Wolverhampton, South-West) (Lab): Am I right that we are not discussing peanuts? Without the Bill, the schemes would cost Her Majesty's Revenue and Customs approximately £240 million. That is not small beer.

Dawn Primarolo: Indeed, it is not an insignificant amount of money and it should have been paid. The vast majority of taxpayers pay, but non-payment has direct effects not only on the tax collected but on the money that goes into the national insurance fund.

In 2004, I gave notice of our intention to deal with any future arrangements that were designed to frustrate our intention that employers and employees should pay

[Dawn Primarolo]

their fair share of tax and national insurance on their rewards for employment. When we become aware of such arrangements, we will introduce legislation to close them down and, I repeat, when necessary, with effect from 2 December 2004.

If some people think that the Government's resolve has weakened, my statement stands today as strongly as it did on 2 December 2004. We are closely examining what has happened since that date. I want employers and their advisers to be in no doubt. If they continue to avoid their responsibilities, or are thinking of doing so in future, we will not hesitate to introduce further legislation to close down their schemes.

As a first step towards demonstrating our commitment to taking action, schedule 2 to the Finance (No. 2) Act 2005 was introduced to strengthen the income tax rules dealing with employment-related securities back to 2 December 2004. The Government had already published a draft technical note alongside the pre-Budget report last year, explaining our proposals, followed by draft legislation in February 2005. Interested parties have therefore had an extensive period in which to scrutinise and comment on the detail of the provisions, which were then fully debated during the Committee stage of that Act.

The Bill before us is the second legislative step that demonstrates our commitment to taking action against avoidance. It is key to achieving the Government's objectives of fairness and opportunity by ensuring that all pay their fair share of tax and national insurance. It is also an essential element in building a serious and credible deterrent against future avoidance.

As the tax disclosure provisions have demonstrated, and as we and the previous Conservative Government have discovered, it is not always possible to anticipate the range and complexity of those extremely contrived arrangements. The Government intend to close down such avoidance schemes permanently. The Bill will ensure that the Government can deal with any arrangements designed to frustrate their intentions. That will ensure that the tax and national insurance that should rightly be paid on rewards for employment are paid. There is no annual equivalent of the Finance Bill for national insurance, so the Bill provides the necessary powers to apply national insurance to payments from such schemes.

When the Government become aware of arrangements that attempt to avoid national insurance contributions as well as tax, we will introduce regulations to close them down, where necessary from 2 December 2004. This action will not affect the vast majority of employers and employees, who organise their affairs in a straightforward and transparent way. In particular, genuine employee share schemes and share option plans will not be affected.

The Bill provides for a power to make regulations in respect of national insurance that reflect backdated tax changes that take effect on or after 2 December 2004 and which may be outside the scope of existing national insurance legislation. The power will allow for national insurance liability to be charged starting from 2 December 2004, if necessary.

The Bill is needed to extend existing regulation-making powers and to make it possible to impose a national insurance charge on disguised remuneration that is capable of taking effect from 2 December 2004, where necessary. Currently, a national insurance liability can usually be charged only from the date on which the national insurance regulations are made, except in limited circumstances in which the regulations can be backdated to the beginning of the tax year in which the regulations are made. This is in contrast to tax, where liability can, if the legislation so provides, be applied retrospectively to the date of an announcement made before the legislation receives Royal Assent.

Provisions in the Bill also allow for consequential changes for the purposes of contributions, contributory benefits and statutory payments where appropriate. For instance, a national insurance charge might be levied back to 2 December 2004 to align with the start date of anti-avoidance tax measures. In such a case, the provisions of the Bill, and the regulations made under the powers in the Bill, would ensure that those contributions would count for the purposes of contributory benefit and statutory payments.

The Bill also provides a power to extend the avoidance arrangement disclosure rules to national insurance that currently apply to income tax. Finally, it provides a power to prevent the use of national insurance contribution elections and agreements over shares and securities that have been targeted by backdated national insurance regulations made under the Bill. This will mean that employers cannot pass on to their employees their own national insurance liabilities that they have tried to avoid.

Significantly, the Government have ensured that the Bill contains important safeguards to ensure that regulations made under it take full account of human rights considerations. This is in addition to the Government's existing duty to make regulations that are compatible with the European convention on human rights. Furthermore, the power to make regulations altering liability is restricted to reflect, so far as is possible, employment remuneration measures in tax legislation—normally Finance Acts—and is intended to be used only to reflect tax anti-avoidance measures. So when such regulations are made, the House will already have had the chance to consider any relevant human rights issues on backdated tax legislation during the passage of the relevant Finance Bill or other legislation.

The Bill also includes a specific provision to ensure that when, for instance, as part of a package of anti-avoidance measures there is exceptionally a reduction of national insurance liability for past periods, any existing or future benefit entitlement will not be affected.

We will publish the draft regulations a minimum of 12 weeks before they are made, so that employers and their representatives will have an opportunity to comment on the technical content of any proposed national insurance changes. Once the Bill has received Royal Assent, any national insurance legislation will have to be laid within 12 months of the corresponding retrospective tax legislation. Furthermore, to ensure that there is adequate parliamentary scrutiny when regulations are made, such regulations will be subject to the affirmative resolution procedure.

The powers in the Bill will be used, in the first instance, to make regulations to reflect the employment-related securities anti-avoidance provisions included in schedule 2 to the Finance (No. 2) Act 2005, which received Royal Assent in July 2005, but which took effect from 2 December 2004.

In conclusion, the Bill is important and necessary to ensure fairness. It will not affect the vast majority of employers, who do not seek to avoid their tax and national insurance liabilities through avoidance schemes. However, I have explained how, unfortunately, a small minority continue to try to avoid their obligations, at substantial cost to all other taxpayers. The Bill is therefore an appropriate, proportionate and effective response to national insurance avoidance, and I commend it to the House.

12.38 pm

Mr. Mark Field (Cities of London and Westminster) (Con): It is self-evident that there are few subjects of debate more likely to empty the Chamber than national insurance contributions.

In an age in which consecutive Finance Acts create and then abolish new-fangled tax instruments, national insurance contributions have proved remarkably resilient. We are now in the 58th year since their coming into force as part of the welfare state establishment that followed world war two. Back in 1948, all those at work except married women paid the princely weekly sum of 4s 11d—that is 24.5p for all those Members of the House younger than me—in a flat-rate compulsory contribution. How times have changed! The only thing that is flat about national insurance today is the spin in which the Government find themselves when trying to raise as much money as possible in their frantic attempt to balance their books. I said in Committee in June during the passage of the Finance Bill in June that,

"for our part, it is difficult to avoid the conclusion that many of the anti-avoidance proposals are driven by an increasingly desperate Treasury desire to fill its revenue black hole without regard to the damaging effect that it will have on the development of start-up ventures, and, indeed, some bona fide remuneration schemes."—[*Official Report, Standing Committee B*, 21 June 2005; c. 43.]

The Finance (No. 2) Act 2005 made a number of amendments to the Income Tax (Earnings and Pensions) Act 2003, with the aim of closing down schemes to avoid income tax using employment-related securities. Those amendments have retrospective effect, as the Paymaster General rightly pointed out, going back to 2 December 2004. It is not currently possible to extend retrospective income tax provisions to national insurance contributions, because liability for NICs can be charged, as the Paymaster General mentioned, only from the date on which NICs regulations are made, except in limited circumstances in which the regulations can be backdated to the beginning of the tax year.

The Bill's stated purpose is to align national insurance legislation with income tax legislation, which will allow tax liability to be applied back to the date of the announcement. As the Paymaster General pointed out, the Bill also contains provisions to restrict employers' ability to pass on any secondary NICs liability to employees and extends the existing tax disclosure rules to NICs. I shall come to aspects of that in a moment, if I may.

There is, however, a good reason for existing NICs legislation not allowing regulations to take such retrospective effect. In my view, only in the rarest of circumstances should the Government contemplate either retroactive or retrospective legislation. I fear that the Bill's effect will be to institutionalise retrospection. We shall certainly need to explore that in far greater detail in Committee.

The substantive clauses will put in place the intention of the Paymaster General's statement of 2 December 2004. Recognising the difficulty of anticipating the ingenuity and inventiveness of the avoidance industry, she gave notice of the Government's intention to deal with any arrangements that emerge that are

"designed to frustrate our intention that employers and employees should pay the proper amount of tax and NICs on the rewards of employment."

She continued:

"Where we become aware of arrangements which attempt to frustrate this intention we will introduce legislation to close them down, where necessary from today."

As we gathered from the previous exchanges, it is clear that there may be 100 such contrivance schemes. We need to understand whether some of those are in many ways bone fide remuneration schemes, and indeed whether their closure might be detrimental to the very start-up operations that I think all of us in the House agree are the lifeblood of the economy.

The key issue, however, is whether the importance of protecting tax revenues outweighs the need for certainty in commercial forward planning, because the threat of retrospection came as a great surprise to many tax professionals, as it falls foul of one of the great canons of taxation—that of certainty.

Arguably, retrospection is also unconstitutional, and if not it should be regarded as acceptable only when couched in unambiguous terms. The Government's admirably comprehensive explanatory notes make much of what they regard as the position under the Human Rights Act 1998. In spite of the characteristically robust protestations of human rights compatibility from the Chancellor of the Exchequer, his is a position of an interested party, for the reasons I have set out. These measures will obviously bring in more money—perhaps as much as £240 million during this year and years to come.

The Chancellor and the Treasury need that money to keep flowing in, and it strikes me that several experts in this novel but complex field of human rights take a different view on compatibility. No one disputes that it is the Government's duty and responsibility to devise policy, but equally Parliament must retain effective control over how that policy is implemented by legislation.

In spite of the Paymaster General's suggestion that this power is relatively limited—the words of comfort about the affirmative procedure were positive—Parliament will undertake only cursory scrutiny, because the Bill is designed to enable Her Majesty's Revenue and Customs to backdate to December 2004 all those NICs to which the Finance (No. 2) Act 2005 changes apply.

We must consider some of the practical effect—my hon. Friend the Member for West Suffolk (Mr. Spring), the shadow Paymaster General, will mention some such examples later—and remember that NICs come from

[Mr. Mark Field]

both the employer and employee. Are the Government seriously suggesting that erstwhile employers of someone who has died after December 2004, or perhaps of a former employee who has been fired in acrimonious circumstances, should have disputed NICs clawed back? This has all the makings of another farce on the lines—although, I accept, not to the same degree—of the tax credits fiasco. How much contingency has the Paymaster General made for writing off sums that can neither be claimed nor easily traced?

It gets worse, because by the time the Bill has made it through Parliament, no doubt the new year—2006—will be upon us. Unravelling NICs arrangements, which by then would already be over a year old, will also most likely have knock-on implications for the disclosed employer company profits in previous tax years. That may have a crucial impact, especially if the tax avoidance in question is considered widespread within a particular industry sector.

Dawn Primarolo: First, does the hon. Gentleman agree that if the legislation's effect is to deter people from even bothering to devise schemes that seek not to pay the tax and national insurance that should have been paid—I sincerely hope it is—it will have done precisely what it aims to do, and all the things he is talking about, which no doubt we will explore in Committee, will not happen?

Secondly, does the hon. Gentleman think that the general taxpayer, and the Government representing the general taxpayer, are also entitled to certainty about revenues? This is employment pay, so it should be subject to pay-as-you-earn and national insurance.

Mr. Field: Let me answer the second point first, if I may. On the certainty issue, in any one year we do not know how many people will be in the employment market, as we have gathered from the constantly changing growth figures that have been published since the autumn review last year. For that reason, there will never be complete certainty for any Government at any time. What we are looking for here is commercial certainty. Surely it is the entitlement of individuals and companies to have that level of certainty. After all, tax is not a voluntary regime; it is imposed by a Government on their people. Such an imposition gives any Government of any day great power. The certainty that is therefore required is commercial certainty for those who could suffer from a tax.

On the Paymaster General's first point, our concern is the law of unintended consequences. We never quite know how things will unravel. I am not looking necessarily to stand up for those tax advisers and employee benefits remuneration people whose ingenuity allows new schemes to be developed at any one time; but equally, it is not the duty either of an employee or an employer, or of a company, to maximise the tax paid. They are quite entitled, where they can, to find what might be regarded as loopholes. It is obviously the Treasury's job, where there are unintended loopholes, to close those for the future.

Dawn Primarolo: I am grateful to the hon. Gentleman for giving way again. To pick him up on maximising the tax paid, it is the job of the House and the Government to ensure that legislation that the House has passed on tax and national insurance being paid on certain types of income at a certain rate actually happens. That is the issue here, not whether people are entitled to plan for tax. How does the House ensure that the legislation already passed is honoured? That is a fair point.

Mr. Field: I am intrigued by the tense the Paymaster General uses. She refers to legislation that the House "has passed". Our concern is not with legislation where there is a clear intention from the Government. The issue here is retrospection. That is our great anxiety. Where legislation has been passed, and there is clarity and certainty, that is fine, but the point of the Bill is to sweep back as far as 2 December 2004.

Rob Marris: I am following the hon. Gentleman's remarks closely. First, perhaps he can explain how the retrospection for NICs will be different from that which we already have for tax. Secondly, may I point out to him that not many people on minimum wage in my constituency have been getting paid in platinum sponges or any such device? I would expect most people, if not all, who will be caught by this legislation to have had specialist tax advice, quite possibly through their employer. That specialist tax adviser should have told them that anything after 2 December 2004 is at risk. If the tax adviser failed to do so, he or she is at risk in respect of negligence.

Mr. Field: Unfortunately, my constituency contains the City of London, where gold bullion, fine wine and all these contrivance schemes possibly began. It might be different in Wolverhampton. I look forward to visiting the hon. Gentleman's constituency at some point—perhaps in the near future on a ministerial visit, I hope, when Conservative Members are on the other side of the House.—*[Laughter.]* That might take a little time.

On the hon. Gentleman's serious point, we are concerned about retrospection, particularly in relation to national insurance, because of the potential double whammy for many employers. While one can entirely understand the protection given to employees, which we will discuss later or in Committee, one of the great differences between the national insurance contributions regime and the regime under the Finance Act for income tax is that employers run the risk of not only paying their own 12.8 per cent. but their employees' national insurance part. They might be able to go back and sue their tax adviser, but that might not be a practical solution. While we still have grave concerns about retrospection, which were articulated in the Finance Bill Committee, equally we want to articulate those now and consider the other ways in which the legislation applies.

Let me continue on the path towards the end of this Second Reading. As I mentioned a moment or two ago, the tax avoidance in question might be widespread in particular industry sectors. What would happen if the company concerned has been sold in the meantime, benefiting from what it will eventually become clear are vastly inflated profits?

The sheer uncertainty and potential for unfairness outweigh the benefits of this innovative attempt to deal with the avoidance problem that the Treasury understandably seeks to tackle. Given the Paymaster

General's broad-brush assertion in her statement of 2 December, how can we be sure that the scope of these retrospective powers will only be used sparingly? Ultimately, the crux of the question is: who judges whether something is to be regarded as unacceptable avoidance?

Most of the Bill's provisions have retrospective effect. The Government are becoming increasingly open about passing such provisions. Previously, such provisions were only described as retroactive, whereas now the word "retrospective" is openly used in the Bill. While most of the Bill's provisions cannot take effect before 2 December 2004, the effect of sections 5 and 6 is potentially unlimited, as any past agreements and joint elections to transfer secondary liability to national insurance contributions to employees can be disapplied. Under those elections, employees were able to pass the national insurance cost risk to employees without limit as to when the election was entered into.

The Bill's retrospective effect necessarily causes uncertainty for UK business. Businesses must be able to plan their activities and cost base in a stable framework. That will be difficult if the Treasury has the power to pass new tax provisions with the retrospective effect to which we have referred. The Government justify their approach by pointing out that the new provisions will not affect the

"overwhelming majority of employers and employees"

who

"pay their fair share of tax and NICs".

Only a small minority, however, have unreasonably

"sought to use sophisticated and complex tax avoidance schemes to pass more of a burden onto the rest of us".

Businesses that have attempted to reduce their liability to pay national insurance contributions in accordance with existing legislation are therefore being vilified as antisocial.

Ideally, we need Her Majesty's Revenue and Customs to set out its thinking on the principles guiding its intended implementation of this policy announcement. During consideration of the Finance (No.2) Act 2005, we called repeatedly for more attention to be paid to the pre-clearance procedure. The spectre of retrospection, and with it uncertainty, makes a pre-clearance process ever more important; otherwise, the Treasury seems to be relying on making any such schemes of arrangement so commercially unattractive that the need for retrospective legislation will be rendered redundant. That is more or less the nub of what the Paymaster General said in our exchanges a few minutes or go.

That is not a sensible way to run commercial business. We need to encourage dynamism, flair and innovation. Sometimes, such innovation will get it wrong, but closing down these schemes will apply to flair and innovation throughout our commercial world. A heavily regulated economy in every way will not be good news for this country. Flair and innovation are qualities not just of our tax advisers but of many inventors and people throughout industry. That has been one of the great strengths of this country over the past 300 or 400 years, and is one of the reasons why we are such an important trading nation. The worry with this sort of proposal is that it stifles those two important facets.

We understand that the first use of powers in this area will be to amend the national insurance contributions regulations in parallel with the changes imposed in the employee securities element of the Finance Act 2005. That is unobjectionable, but there is a more fundamental question: now that national insurance involves only a notional contributory element, is it not time that the rules surrounding NICs are changed entirely to work alongside those of income tax?

The Bill highlights once again the problem of having two taxes that basically cover earnings. Let us face it: the only reason for having NICs and income tax is to uphold the fiction that the basic rate of tax is 22 per cent., when it is really 33 per cent. That is an expensive fiction that costs businesses millions of pounds in administration each and every year. Perhaps things have now got to the point where it is necessary to consider a single stand-alone income tax with a basic rate of 33 per cent. and an employers' portion of 12.8 per cent.

Rob Marris: Again, I am following the hon. Gentleman's comments closely. He was taking about the risk of stifling innovation. Is he really suggesting that the self-employed, who currently pay, I think, £2.10 per week in class 2 contributions, would be rolled into a kind of super-income tax along with everybody else if his proposal to get rid of NICs were introduced? That might well stifle innovation in our economy, which has been a strength for 400 years.

Mr. Field: It is a good attempt from Wolverhampton, but I was simply putting forward a broad idea that we need to give some thought to simplifying our taxation system. The contributory element of national insurance is fairly meaningless to a large extent.

Sir John Butterfill (Bournemouth, West) (Con): Will my hon. Friend also recognise that NICs are not paid by those who are over retirement age? His proposal would increase the taxation of those who had income in retirement.

Mr. Field: If I am not incorrect, my hon. Friend is some 63 years old. I was his Whip at one time. I suspect that his observation might contain the smallest element of self-interest. I take on board his points, although given the great hopes for the Turner review, if the retirement age increases he might be chasing a particular dragon while he is still below that age. I will certainly have him in mind when it comes to the national insurance aspects of the question.

Sir John Butterfill: My hon. Friend must also recognise that I represent a rather large number of pensioners in Bournemouth, West.

Mr. Field: I have little doubt that my hon. Friend is younger than the average age of most of his constituents.

The Economic Secretary to the Treasury (Mr. Ivan Lewis): To reinforce the point, the House might want to know that my grandmother lives in Bournemouth. I have a serious point, however. How does the hon. Gentleman square the proposal that he has just made on the nature of taxation with the fact that his party has just established a commission, under the chairmanship of Lord Forsyth, with a very clear remit to explore the barmy possibility of a flat tax?

Mr. Field: The Economic Secretary knows that it is not a specific proposal. I was floating an idea, which is part and parcel of exactly what we are trying to achieve with the flat tax commission: simplifying the whole taxation system, which is a long overdue goal. In many ways, clause 1 seems to be worded with that sort of change in mind. In summing up, I hope that the Economic Secretary can confirm the Treasury's intention and indicate how such a process might be managed.

I want to touch on three other aspects. First, there is the regulatory impact assessment in which the Government attempted to assess the Bill's potential impact. They concluded that the combined impact of the measures

"will not affect small businesses disproportionately."

However, it should be remembered that small businesses are most dependent on attracting quality personnel, and therefore need to be able to offer tax-efficient employee incentive schemes. As the Government have already announced, the powers in the new Bill will be used first and foremost to tackle NIC avoidance through employment-related schemes. It is suggested that that will disproportionately affect businesses that the Government originally intended to promote by introducing tax-efficient employee incentive schemes. The position is made worse by the fact that employers cannot share any new unexpected liability to NICs with their employees.

Secondly, there is the issue of disclosure, which the Paymaster General mentioned. Clause 7 suggests that the regime for NICs and income tax will be similar. It would be useful to hear from the Treasury how it will work alongside taxation specialists to ensure a smoothly operating system. Twelve weeks seems a relatively short period, given the importance of the work that must be done, and the differences between this regime and the income tax regime introduced in the Finance (No. 2) Act 2005. Naturally all sides would like as long a lead-in time frame as is practical.

Much hinges in the future implementation of the intentions set out in this enabling legislation on regulation-making powers. The Bill brings NICs into the world of tax avoidance disclosure, and opens the way to retrospection. However, its operation, achieved by specific regulations that are highly technical and complex, will not be subject to full parliamentary scrutiny. Let us be honest: without significant outside expert help, there is little headway that any Opposition spokesman can forge even in Second Reading debates such as this. However, if such technical legislation with its retrospective element is brought in only via regulation, even when it is approved by statutory instrument, we run a real risk of adding to the statute book a series of poorly thought-through laws. My biggest worry is that that will result in employers and employees alike running the risk of being deprived of their property in an arbitrary manner.

1.2 pm

Mr. Robert Flello (Stoke-on-Trent, South) (Lab): We are debating what could be described as one side of the Treasury coin, the other side being the Finance Act.

I am not sure whether this is an ironic coincidence, but in the early 1990s I worked for a major firm of accountants. One of the directors had a particular claim to fame: within two hours of the Budget statement, he had worked out how to get around the proposed anti-avoidance measures. That scenario has continued for at least 15 years.

I realise that the hon. Member for Cities of London and Westminster (Mr. Field) has a particular constituency angle to take, but why should hard-working lower-paid people in my constituency and other constituencies in north Staffordshire have to pay their tax and national insurance while those who can afford extremely competent tax specialists to advise them get around the legislation? Where is the fairness in that?

David Taylor (North-West Leicestershire) (Lab/Co-op): Does my hon. Friend agree that while the Bill is commendable in seeking to reduce avoidance, it is odd that the Government should at the same time be introducing self-invested pension plans that give huge concessions to very rich people, which people in north Staffordshire and north-west Leicestershire can only dream about?

Mr. Flello: That is a good point, but what we are talking about is legislation that some members of the wider community can get around, while others are caught by it. We may be seeking fairness and equity, but where would be the fairness if people working at Michelin in my constituency were offered payment in the form of animal skins? Where is the fairness in the old system of payment in hay for someone working at a pub such as the Potters Bar in my constituency?

Mr. Richard Spring (West Suffolk) (Con): In the last seven or eight years, there has been a huge increase in the number of people at the lower end being sucked into taxation. The way to deal with the problem that the hon. Gentleman describes is to remove them from taxation, and that is exactly what the commission will deal with.

Mr. Flello: In the 1980s, a huge number of my constituents were no longer required to pay tax or national insurance when the mines were closed, Shelton Bar steelworks was closed, and the pottery industry was hammered time and again.

Rob Marris: The aim of the Bill is to get rid of schemes involving gold bullion and so forth. Might not such schemes be encapsulated in the phrase "fur coats and no NICs"?

Mr. Flello: I shall stop smiling at that one now. There was a scheme involving fur coats, and another involving oriental carpets. What would the reaction be if one of the Longton fire crews were offered payment in the form of oriental carpets? It is ridiculous. There must have been huge warehouses attached to Schipol airport in Amsterdam, given the amount of goods apparently sitting there waiting for an employee to pop across to collect and bring back to the United Kingdom.

I would be somewhat concerned if one of the highly skilled, innovative and creative people working at Wedgwood in my constituency were offered payment in platinum sponge. Platinum sponge is not some nice little object that might be put on the mantelpiece; it is a highly

volatile, unstable form of platinum. I would certainly not want to put that on my mantelpiece, and then take it down to the local market and trade it in.

We have heard allusions to creativity and innovation, but what that really means is making sure that certain individuals can get out of paying what most of us have to pay in tax and national insurance. I have encountered arrangements in the past involving a room full of people and a pile of documents, each document carefully numbered and laid out because it is crucial for them all to be signed in the right order if the scheme is to work. Is that what is meant by the certainty to which Opposition Members refer?

There is a fair amount of understanding among Opposition Members, however. I recall that in April 1995 a Conservative Minister—I forget which one—introduced measures to stop what he described as a national insurance dodge using tradeable assets. The issue has been recognised for a long time. Obviously, paying someone in coffee beans to try to avoid national insurance is an appalling thing to do.

In the past, certainly for the past 15 years or so, we have seen a cat-and-mouse game. A scheme, or anti-avoidance legislation, is introduced; tax advisers sit down and work out a way around it; the next Finance Bill tries to tackle it; someone works out a way around that; another Finance Bill is produced; and then we reach the position we are in now. North Staffordshire chamber of commerce, for example, says it wants much simpler, more straightforward Finance Acts. Time and again, however, recent Finance Acts have tackled avoidance schemes, which is why they have been so lengthy.

This Bill is long overdue and would have been a very welcome legislative addition back in the early 1990s. Some £240 million a year is at stake, and north Staffordshire would certainly welcome the 10,000 new teachers that that money would fund. This money is owed to the Exchequer, and it is simply the use of creative schemes that has led to its not being paid. My constituents, who pay their national insurance and their tax, would welcome that money coming in to the Revenue to provide police officers, teachers and the like in our constituencies.

1.10 pm

Dr. Vincent Cable (Twickenham) (LD): As the hon. Member for Cities of London and Westminster (Mr. Field) acknowledged, we are dealing with rather recondite material and, unfortunately, I drew the short straw among my colleagues in deciding who would speak about it. But in terms of general principles, I broadly endorse what the Government are trying to achieve through the Bill. My colleagues and I voted for higher national insurance contributions to fund the health service, so it follows that we want such revenue to be realised. There are two broad objectives: to ensure revenue integrity, and to reduce the cynicism that inevitably arises when some people pay their taxes but others manage to get round doing so. I understand the Government's broad strategic objectives, which seem perfectly sensible.

The problem is that in talking generally about tax avoidance it is very easy to get into a moralistic mindset—a mindset that crept a little into the Paymaster General's speech. Frankly, this area is an ethical quagmire. The Government were helped by a question posed by the Chairman of the Treasury Select Committee a few months ago. He asked what the difference was between legitimate and illegitimate tax avoidance, and the Paymaster General produced a reply that is well worth quoting because it provides a framework for this discussion. She said:

> "The Government take steps to close down tax avoidance schemes as they become aware of them, particularly where they create economic distortions, provide commercial advantages over compliant taxpayers, redistribute tax revenues in an unfair and arbitrary manner, or represent an abuse that conflicts with or defeats the will of Parliament."—[*Official Report*, 1 April 2004; Vol. 419, c. 1697W.]

That seems a good working definition of the distinction between legitimate and illegitimate tax avoidance and, so far as it goes, perfectly sensible.

However, on reflecting a little more, I concluded that what we are dealing with is not a simple, stark, clear-cut division between legitimacy and illegitimacy. There is a continuity or spectrum of behaviour, and at one extreme there are cynical and manipulative schemes. But at the other end of the spectrum, there are forms of tax avoidance that we all regard as perfectly legitimate and, indeed, that the Government encourage. As I understand it, part of the Financial Secretary's job is to encourage tax avoidance. He introduces environmental taxes that, if successful, stop people doing certain things and therefore reduce Government revenue. That is the will of Parliament and it is sensible, good economics and good for the environment; but it is promoting tax avoidance.

At the other end of the spectrum are these fancy avoidance schemes, but somewhere in the middle is the kind of behaviour that we all get up to in our private lives as we try to organise our affairs in such a way that we pay as little tax as possible, within the law. A few weeks ago, I was talking to my grown-up children, who live in London and are having horrendous problems dealing with their mortgages. I am considering making a gift from my modest savings in order to help them, and it occurred to me—it certainly occurred to them—that if I manage to organise my affairs in such a way that I do not die in the next seven years, I will help them to avoid paying inheritance tax. That is tax avoidance. Of course, it does not fall within the Paymaster General's definition of illegitimacy because it does not constitute an organised scheme. But if instead of simply doing a back-of-the-envelope exercise, I did things properly and went to a financial adviser, an accountant or a solicitor, such a course of action would, I think, be illegitimate under the terms of the definition given. Certainly, the definition is hazy, so it is probably useful to approach it not in a moralistic way but in a practical way.

The practical issue is how the Government can reduce tax avoidance. We are dealing with a very big area: in respect of this source of leakage, the figure of £300 million has been quoted. The Inland Revenue has estimated that it suffers itself from tax avoidance losses of some £2.5 billion to £3 billion in VAT, and probably £10 billion in direct taxation, so the Bill deals with only one corner of a much bigger problem.

I turn to an interesting and important aspect of the Bill that is at the heart of some of the criticisms offered by the hon. Member for Cities of London and

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Westminster. The point was summed up by the Chairman of the Treasury Select Committee, when he said:

"What is new is the declaration that future schemes, not yet devised or which have not yet come to the Inland Revenue's attention, may be stopped as from 2 December 2004. This amounts to a general anti-avoidance rule in this area of taxation of income and rewards".

That is not necessarily good or bad, but it does break important new ground by embedding in the legislation the principle of retrospective action. As the hon. Member for Cities of London and Westminster suggested, that could create problems in respect of one of the basic principles of taxation: certainty.

In Committee, we shall doubtless confront a question that will be at the heart of public debate on this issue: whether the principle that the Government are introducing conflicts with fundamental principles in law as we understand them. The Institute of Chartered Accountants, which has looked at this Bill in some detail, questions whether this new principle is compatible with European law. I do not know—I am not a lawyer and certainly not a constitutional lawyer—but I draw the House's attention to a very important legal ruling that dates from April, through which the European Court of Justice is trying to tackle head-on the question of whether a measure such as the one before us is legitimate in terms of European law principles.

One paragraph of that ruling appears to suggest that what the Government are doing is not compatible with European law principles, but another paragraph appears to constitute the Government's defence. It is worth quoting both, because they will prove central as this legislation proceeds. The first paragraph states:

"The principles of the protection of legitimate expectation and legal certainty form a part of the Community legal order. They must accordingly be observed . . . by the Member States".

If it is correct that this legislation diminishes legal certainty, it may well violate European justice as it applies to tax law. The following paragraph, however, is more qualified. It states:

"Although in general the principle of legal certainty precludes a Community measure from taking effect from a point in time before its publication"—

in other words, retrospectively—

"it may exceptionally be otherwise where the purpose to be achieved so demands and where the legitimate expectations of those concerned are duly respected".

A key issue will be whether the legitimate expectations of those introducing such schemes have been respected. It is a fairly narrow point and it is not clear to me who is right and who is wrong, but as the Bill proceeds we will need proper clarification of whether its legal basis has been thought through in terms of those wider principles.

There are two other practical problems that the ICA and others have thought through, and on which the hon. Member for Cities of London and Westminster touched. The first concerns a legislative principle and the way in which this House proceeds. As I understand it, one consequence of the manner of the Bill's introduction is that secondary legislation will be introduced at the same time as primary legislation, so there will not be the traditional opportunity for a 12-month period of consultation of those affected by such legislation. I am not sure that I fully understand the problem here, but it has been highlighted by the practitioners and it would be useful if the Government commented on it.

The other practical problem, which the hon. Member for Cities of London and Westminster also mentioned, is the question of what happens to those employers who, although they are clearly party to such schemes, may not have prompted them. What happens if such an employer finds that, because the legislation is invoked retrospectively, in practice they cannot claw back concessions already made to the employee? Such an employer is the piggy in the middle who has been stuck with the liability. What is their position?

In conclusion, I would like to summarise my argument by making two wider points. First, although it is right and I fully support the idea of pursuing anti-avoidance as far as is possible and practical within the law, it is not always clear that the Treasury's emphasis should be on anti-avoidance. It should reflect further on the problems created by over-complexity. One of the leading authorities on British tax law—Edward Troup, who happens to be one of my constituents and who frequently appears before the Treasury Committee—summarised the problem elegantly:

"The aim of Government should be to . . . do its best to ensure that the 'return' from tax planning is as low as possible . . . a simpler tax system with fewer reliefs, exemptions and discontinuities would, in the long term, frustrate most of the tax evaders' ploys . . . Management has to decide between whether £10,000 of tax planners' fees is likely to give a better post-tax return than the amount spent on, say, advertising. This judgement is not immoral, it is inevitable".

That is why I and my colleagues, as well as the Conservatives, are looking further into the whole principle of tax simplification. Our commission got going a little quicker than theirs, but whether it will end up recommending some version of a flat tax, I do not know. I have an open mind on that matter. The underlying principle of pursuing simplicity is clearly very desirable.

Finally, it is not a question of simplification alone. We also need to focus more on the question of tax administration and the competence of the tax administration authorities. I do not have many people in Twickenham running around with gold bullion, but I have do have many people who work in the computer industry. They often send me e-mails from their occasional employer, the Inland Revenue, with positively hair-raising tales of computer breakdowns involving something called ERIC and management failures in the Revenue that are costing billions as a result of weak, unsatisfactory and badly managed revenue-collection systems. I do not know the truth in that matter: I am not part of it, but I see the fragments shown to me by people who are witness to it.

I believe that more revenue could be realised by the Treasury through better tax administration and tax simplification than through the pursuit of anti-avoidance measures. As far as the Bill goes, the principles behind what the Government are seeking to achieve seem sensible, subject to the various specific legal and practical steps that we shall pursue in Committee.

1.22 pm

Mr. Iain Wright (Hartlepool) (Lab): I begin by declaring an interest: I am a chartered accountant and before my time in the House I was employed by one of the big four accountancy firms. I worked in the noble art of corporate governance and risk management, rather than the possibly shady dealings of tax avoidance.

I welcome the Bill enormously and sincerely hope that Conservative Members will not divide the House on it. It continues the theme introduced by previous Governments of clamping down on tax-avoidance schemes, and it is right and proper that Governments of all political persuasions work to ensure that all businesses and employees pay the correct amount of tax and national insurance contributions at the appropriate time.

As my right hon. Friend the Paymaster General said in her opening remarks, the Bill advances the work that was started by the Conservative Administration. The right hon. Member for Hitchin and Harpenden (Mr. Lilley), who is not in his place, looked into the problem when he was Secretary of State for Social Security in the John Major Administration. As my hon. Friend the Member for Stoke-on-Trent, South (Mr. Flello) mentioned, the right hon. Gentleman announced in 1995 measures designed to stop a national insurance dodge of paying employees in tradable assets. In the following year, he announced further powers to stop the latest dodge of avoiding national insurance when employees were paid in their company's own shares. The Labour Government have continued—and, indeed, accelerated—the trend, with measures such as bringing under PAYE assets readily convertible into cash in 1998, and dealing with employment-related shares in 2003.

I therefore believe that there is a political consensus on this matter, and rightly so. However, over the past 20 years the fight against avoidance has been undertaken in an environment in which the schemes, or scams, have become ever more ingenious and imaginative. The Government have been sharp in closing loopholes, but rather like a fairground game where little squirrel heads pop up at random and have to be hit with a hammer, the Government spot one scam and then another pops up somewhere else.

It is extremely lucrative for tax advisers to come up with ever-more imaginative schemes to avoid tax and national insurance, largely because the benefits—the tax and NICs saved through avoidance—far outweigh the potential risks of fines and possibly having to pay interest on the tax. Some of the inventive scams to avoid NICs are far-fetched to the point of being comical. My hon. Friend the Member for Stoke-on-Trent, South mentioned oriental carpets, and when I was researching for my speech, I discovered a City worker who had been paid a bonus of oriental carpets worth about £100,000. The carpets were held in storage and then seemed to become magical, as they never materialised and were never seen in the home.

Platinum sponges are another example. I have not done as much research on them as my hon. Friend the Member for Stoke-on-Trent, South, so I do not have a clue what they are. I do know three things, though: platinum sponges are not platinum jewellery; they are not sponges for washing; and, most importantly, they are in reality a scam to avoid paying rightful levels of national insurance contributions.

It seems to me that an enormous amount of energy and resources from the Government are devoted towards ensuring that a small majority of highly paid earners pay the proper amount of tax and national insurance like the rest of us. Those resources could be redeployed towards services that are of real benefit to the country, such as improving public services and tackling family poverty. That is why I welcome the moves that the Labour Government have made—further than any other Administration, in my view—in combating tax-avoidance schemes. The need for promoters of schemes to notify Her Majesty's Revenue and Customs of them is extremely welcome and long overdue. Rather than playing the squirrel game, the squirrels now have to tell the Government where and when their heads will be appearing. That may be less fun, but it is certainly a lot fairer.

Yet this Bill goes one step further. I think that its best feature is the power to close down and backdate avoidance arrangements, where necessary, to 2 December 2004. I strongly believe that advisers, companies and workers were given adequate notice of the Government's intentions in the 2004 pre-Budget report. Reviews in the press this week seem to suggest that the Government's objective will be achieved. Mike Warburton, senior tax partner at Grant Thornton, was quoted this week in *Accountancy Age* as saying that the Bill

"makes it very debatable whether it's worth anybody's while doing things that are seen as aggressive by HMRC".

Quite right.

I want to end on the central theme of why I welcome the Bill most of all. Much as I love technical accountancy jargon, the Bill is not purely about rectifying technical inconsistencies and loopholes in the tax regime. First and foremost, it is all about fairness—fairness for all those who pay income tax and national insurance contributions. Why should a privileged few—mostly in the City of London—be allowed to cheat the vast majority of hard-working taxpayers and users of public services by not paying the rightful amount? It borders on the immoral. Why should hard-working families in Hartlepool, who pay tax and national insurance contributions through the PAYE system and have no control over the manner in which they are paid, subsidise the avoidance efforts of a wealthy elite?

I hold weekly surgeries and I have to confess that no constituent has ever expressed concern that we are restricting the use of platinum sponges as a means of rewarding employment. That is what this Bill is about—fairness for all taxpayers, not favouritism for a few.

This is not a Bill that takes the food out of the mouths of hard-working families who are struggling to make ends meet. I have no doubt that the people whom the Bill will affect most are hard working, but they are, after all, paid handsomely for what they do and their remuneration is getting better. Only this week in the *Financial Times*, in an article entitled "Bank staff do best as City pay increases", I was informed that, before the payment of winter bonuses, directors, senior analysts, corporate financiers and fund managers have seen their basic pay rise by 9.2 per cent. since this time last year, to

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an average basic salary of £76,950—and bonuses are expected to be larger than last year, too, after a buoyant summer with lots of mergers and acquisitions. The media also reported this week that as many as 3,000 bankers and brokers will earn about £1 million each in bonuses alone after the best City performance for years.

Those figures are hardly typical of a financial sector on the bones of its backside. I do not begrudge those bonuses at all, although I should like some of the City pension fund managers who might receive them to have a word with my constituents in the Expomet and Roxby companies who face missing out on the final salary schemes that they have paid into for years. It is only right that the very small number of taxpayers involved should pay the correct amount of tax and national insurance.

I hope that I have made it clear that I strongly believe that the Bill is all about fairness. I fully support its objective, and urge the House to give it a Second Reading.

1.30 pm

Mr. Andrew Pelling (Croydon, Central) (Con): The hon. Member for Hartlepool (Mr. Wright) said that he did not begrudge the fantastic bonuses earned by people in the City of London, but he seemed unhappy at the City's success in promoting income for the UK. I find it hard to understand what he meant.

It is fair to say that for a long time there has been a great deal of invention when it comes to payment. The practice started in the late 1980s and early 1990s with the use for payment purposes of gold bars or red wine. That was an extreme attempt to abuse the tax system, and the Paymaster General has said that the Bill is designed to deter such behaviour. It may be inevitable that such deterrence must be continually reinforced when a tax system is complicated and encourages the former colleagues of the hon. Member for Hartlepool to indulge in yet more invention.

I listened carefully to the hon. Member for Stoke-on-Trent, South (Mr. Flello), who said that he had colleagues who could find a way around any proposal within two hours of its announcement in a Budget speech. Although I approve of the Bill's proposals to bring NICs into line with the income tax avoidance regime, it is a pity that the House should have to devote so much effort to simplifying the tax system.

The complication of the tax system has been compounded by the imposition of many regulations since 1997, which has served to fuel the further growth of the tax avoidance industry. The implementation of a general anti-avoidance rule in a one-sided, broad-brush attempt to simplify matters for the Treasury is unreasonable, given that it maintains a web of bureaucracy for business.

I also listened carefully to the hon. Member for Twickenham (Dr. Cable), who asked whether the aim should be to have a correct level of taxation—as the hon. Member for Hartlepool maintained—or a fair one. I, too, shall quote Edmund Troup of Simmons and Simmons, who said:

"Faith in general anti-avoidance provision is based on a lack of understanding of the real nature of tax avoidance. The popular idea is too often confused with the claim that 'tax avoiders are paying less than they should', even though there is no objective way of determining how much they 'should' be paying."

The balanced way to reduce tax avoidance is to simplify the system and cut down the number of limits and exemptions. As has been noted, the shadow Chancellor's tax reform commission is a step in the right direction. A flat taxation system would be likely to promote the payment of more tax, rather than less, and would certainly discourage avoidance.

The Paymaster General has said:

"The Exchequer is entitled to certainty on behalf of the taxpayer—certainty that taxpayers will pay their fair share—and, similarly, that taxpayers who contribute their fair share have a right to expect others to do so."—[*Official Report, Standing Committee B*, 21 June 2005; c. 57.]

That is reasonable, but any assessment of what constitutes a fair share must be subjective when it is made in the context of a tax structure as complicated as ours. Simplifying the system would remove the motivation for tax avoidance. As my hon. Friend the Member for Cities of London and Westminster (Mr. Field) said, it is important that we promote the role of wealth creators rather than wealth protectors.

The question of retrospection is the most important element of the Bill. It is something that the UK has always steered away from instinctively. Yet, for all the Paymaster General's reassurances, not only does the Bill allow for retrospective action, it also moves the decision away from primary legislation to regulation. In opposition, the Paymaster General said of value-added tax:

"In such a case, the retrospective nature of the law is in principle objectionable. It means that the VAT liability of supply can be changed by an event occurring after the supply is made. There may be arguments that the principle is contrary both to United Kingdom principle and to EC law."—[*Official Report*, 3 April 1995; Vol. 257, c. 1412.]

Yet a decade later—

Dawn Primarolo: Will the hon. Gentleman give way?

Mr. Pelling: Certainly, if the Paymaster General wants to correct me.

Dawn Primarolo: The hon. Gentleman should also quote the Minister who responded to me at that time with an explanation of why the Government's action then was justified.

Mr. Pelling: I understand why the Paymaster General makes that point, but institutionalising retrospection and raising the possibility that a business or person might have to make retrospective payments to HMRC—only for more legislation to be introduced when it is decided that the rules must be changed—is most regrettable.

The most important thing is certainty. The problem with the Bill is that it will not bring certainty to the tax regime.

1.37 pm

Mr. Philip Dunne (Ludlow) (Con): I share the concerns about the Bill expressed by my hon. Friends the Members for Croydon, Central (Mr. Pelling) and for Cities of London and Westminster (Mr. Field), especially about the Bill's retrospective nature.

I understand the desire expressed by the Chancellor, the Paymaster General and other Opposition Members to minimise the scope for remuneration contrivances to escape the tax and national insurance net. Indeed, I have considerable sympathy with the objective of dealing with the imaginative but essentially contrived schemes about which we have heard. I confess that the use of platinum sponge is a new one on me, too.

However, my concerns go beyond the specific provisions of the Bill. This country has rightly earned great respect in the international business community for the probity of our laws and customs. Indeed, even the HMRC has commanded respect—if little love—for the certainty, if not always the clarity, of its decisions. As we have heard, companies, individuals and their advisers have long enjoyed the ability to base their commercial decisions on a principle of certainty in respect of the tax laws at the time those decisions were made. The law has always been open to interpretation, which has enabled the entire tax advice industry to flourish, but commercial decisions could be made according to the law prevailing at the time.

Unfortunately, the Bill reinforces a very unwelcome principle that has been introduced into our tax law—the ability to change the rules as the Government choose. The Institute of Chartered Accountants has expressed concern about that, as the hon. Member for Twickenham (Dr. Cable) noted. In its briefing paper, the ICA said:

"Retrospective legislation is not a satisfactory solution: not only does it make for uncertainty for employers but there is a real probability that it is ultra vires European Law".

My views on Europe may not be well known in this House, but they are to my constituents and it is extremely rare for me to find comfort in pronouncements from Europe. However, as we have heard from the Liberal Democrat spokesman, there is some case law that needs to be explored in Committee, not least because the Institute of Chartered Accountants states:

"We do not think that anyone reading the Paymaster General's 2 December 2004 statement could have expected the content of this Bill."

Labour Members have focused much of their enthusiasm for the Bill on the impact it may have on fat cats in the City, and reference has been made to the large sums that many people earn there. The issue is not confined to the City of London, however. In my constituency, there is an individual who sells millions of pounds-worth of perfume to the far east, on which he earns substantial commission. That gentleman could take his business anywhere in the world, and I should like to focus on that point.

The Prime Minister appears to have woken up only relatively recently to the challenges of globalisation, but the economy has been at the forefront of global trade for centuries. Since 1979, as economic liberalisation has been successively introduced, mostly under the previous Conservative Government, increased inward investment to the UK has provided a major boost to economic growth and productivity. The scale of that investment is well illustrated. The Paymaster General has unfortunately left the Chamber so we cannot confirm whether her regular morning reading includes *The Daily Telegraph*, but I shall quote a brief extract to illustrate my point:

"Overseas investors own more than a third of the 100 blue chip companies listed on the London Stock Exchange, 10 of those aren't even British, 250 of the 1,066 top flight directors are foreigners and some of our most important industries—such as energy and banking—are largely controlled by European and US companies."

We can thus see that a significant proportion of senior executives in leading companies across industrial sectors, as well as many of those sustaining the City of London's global position in financial services, are foreign nationals, often working for foreign firms. I speak with some authority as a few years ago, before I came to this place, I worked for a foreign-owned bank.

The relevance of those points to the debate is twofold. First, from an individual point of view, a large number of highly skilled and highly rewarded individuals currently choose to work in the UK in roles that they could also undertake overseas. It is not beyond their wit to try to weight their remuneration away from the higher tax jurisdiction. With modern technology and working practices, especially in the service sector, there is a real risk that by introducing retrospection to our tax system for individuals, doubt will be cast over our personal taxation system, which will encourage income to be earned overseas and, perversely, may reduce rather than increase the return to HMRC.

Secondly, from a corporate perspective, the more worrying implication is the doubt that retrospective tax legislation introduces in the fairness of the tax system operating in this country. In a global market, companies can choose where to operate. Businesses are highly flexible and many can move their operations to jurisdictions where they perceive commercial advantage. We are increasingly used to the advantages of China and India, about which we hear so much from the Chancellor, in relation to labour-intensive activities, but the capital-intensive sector, where many of these proposals are directed, is highly mobile. A good example is reinsurance, a completely mobile activity, much of which has moved to Bermuda over the last 10 years. Such sectors often remunerate their employees very well.

My concern is that when HMRC is both judge and jury and tax legislation is introduced with retrospective effect, it could seriously erode confidence in the fairness of our tax system. The Government need to take great care. I am not sure whether the Economic Secretary is aware that the last time retrospective tax measures were introduced was under the last Labour Chancellor, Chancellor Healey, and look what happened to him. The serious point is that if companies lose confidence in the tax system, those that are not in this country will think carefully before they choose whether to come to the UK or locate elsewhere. Those already in this country, especially if the breach in the dyke were to be widened with further retrospective proposals, might eventually consider moving away. That would damage the economy, damage confidence in our tax system and damage the Government's tax revenues.

1.44 pm

Stephen Hammond (Wimbledon) (Con): First, I declare an interest. I was one of the gentlemen who worked in the City, although I assure the hon. Member for Hartlepool (Mr. Wright) that I have neither a magic carpet nor a cellar full of wine.

Rob Marris: What about a platinum sponge?

Stephen Hammond: I have washed this morning, but not with platinum.

The Paymaster General left us in no doubt that the Bill was designed to stop evasion of national insurance contributions by introducing powers that enable the Treasury to make regulations to prohibit the use of avoidance schemes with retrospective effect from 2 December 2004. When the Economic Secretary winds up the debate, I am sure that he will make the valid point that such an intention was set out by the Paymaster General on 2 December 2004 and that the Bill merely brings the national insurance regime into line with what the Government enacted in the Finance Bill this year, so I understand the right hon. Lady's comment that she regards the legislation as non-controversial.

There are four aspects of the measure that we need to consider, however. Much has already been made of the retrospective nature of the Bill, but we should also consider possible use of the powers beyond that for which they were intended; the whole issue of avoidance, evasion and tax-planning; the introduction of an anti-avoidance rule, to which the Liberal Democrat spokesman referred; and the potential cost to business. I want briefly to examine those issues.

I had the privilege to speak on Second Reading of the Finance Bill and served on its Committee, where luckily the hon. Member for Wolverhampton, South-West (Rob Marris) helped us through the explanatory notes. I congratulate the Paymaster General and the Economic Secretary on this Bill, which is to be applauded for its brevity, clarity and its helpful explanatory notes—quite a contrast to the Finance Bill.

The hon. Member for Hartlepool seemed to question the position of Conservative Members. My hon. Friend the Member for Cities of London and Westminster (Mr. Field) has made it clear, not only today but in previous debates in the House, that we do not support anyone who does not want to comply with their tax obligations. That is our position and it extends to national insurance contributions as well.

The Bill, as I understand it, contains three measures: the power to make regulations to create a retrospective liability for national insurance contributions; to allow the disclosure of national insurance contribution avoidance schemes and arrangements; and the voiding of those arrangements and elections. Much has been made of retrospection by my hon. Friends. Any legislation that introduces retrospective powers must be regarded with caution. Understandably, taxpayers are instinctively nervous, for with the prospect of retrospection they also face the prospect of uncertainty and unfairness. Furthermore, and more important, it creates uncertainty for business and especially for business investment. Certainty is a key component in the environment for business investment and one criterion on which business undoubtedly bases its decisions is the existing tax and national insurance burden it is likely to face, or the likely burden when a decision is made. If the Government constantly introduce legislation with retrospective effect, it will undoubtedly create uncertainty for business and will affect business investment. An inevitable consequence of the Bill will be some undermining of business investment.

The power to create regulations for retrospective liability is enacted in clauses 1 to 4 and although those clauses confer that power on the Treasury, the Bill also supposedly constrains the power to the extent that such regulations can be made only to reflect in national insurance regulations previous retrospective changes to the income tax Acts, only where the Treasury considers it expedient for national insurance contribution regulations to have that retrospective effect, and only back to 2 December. However, in all those cases the Treasury is acting as its own constraint, so we need reassurance from the Treasury about the scope of the powers, the exact nature of the constraints and the way in which they will be used. The explanatory notes state that the powers will be used only in anti-avoidance measures. That is not helpful, reassuring or terribly explanatory. The Government will want to reassure the House that those powers will be proportionate to the mischief that they aim to tackle, and that they are sufficient only to catch tax avoidance schemes. They should not be so wide that they are disproportionate, and taxpayers' legitimate expectations to be taxed in accordance with the law when the transaction is carried out should not be abused.

Clauses 1 to 4 will be used to bring national insurance contributions regulations in line with regulations imposed by schedule 2 of the Finance Act 2005, especially in relation to employee securities for taxation purposes. If I understand clause 1 correctly, the powers will be used to ensure that, where possible, NIC and income tax PAYE legislation are changed in parallel. If that is the Treasury's intention, it would be useful to know that the process will be managed. It is desirable that NIC and income tax disclosure rules be made in parallel. Clauses 1 to 7 suggest that that is the intention behind the Bill, but I should be grateful if the Economic Secretary answered some practical concerns. If the rules are included in regulations as secondary powers, as the Bill suggests, when will the draft regulations be available? Will the Economic Secretary confirm that they will be subject to proper scrutiny and that the disclosure rules for national insurance and income tax will be similar?

The Government's attitude to tax planning, as opposed to tax avoidance, has been subject to a great deal of criticism, and the issue was raised several times in the Finance Bill Committee. It bears repetition that planning tax liabilities is entirely lawful, but in the Bill the Government appear to maintain their stance that any tax planning is avoidance. Taxpayers have the right to organise their affairs in accordance with the law—that is tax planning. If the Government deem that law inappropriate, that is not the taxpayer's fault. Tax planning should not be confused with tax avoidance.

The Government are pursuing something that began in the Paymaster General's statement on 2 December 2004 and, indeed, the Finance Act 2005. The Bill is

widely drawn and tax authorities are given wide discretionary powers, so the Government are effectively introducing the general anti-avoidance rule that they first sought to introduce in 1997. In 1997, the Chancellor asked the Inland Revenue to investigate the impact of a general anti-avoidance rule, but, following objections, the Government pursued the disclosure regime route. However, if disclosure legislation is too widely drawn its powers extend beyond those of anti-avoidance or appropriate disclosure regimes, as wide-ranging and arbitrary powers are introduced for tax authorities that go well beyond the mischief that they are intended to address.

In a statement on the pre-Budget report in December 2004, the Paymaster General stated:

"The disclosure rules in the Finance Act 2004 have revealed that avoidance is still rife."

She went on to say that

"experience has taught us that we are not always able to anticipate the ingenuity and inventiveness of the avoidance industry. Nor should we have to."

She concluded that

"the time has come to close down this activity permanently."

The Select Committee on Treasury has no doubt that the Government moved from a disclosure regime to a regime of general anti-avoidance rules. Its Chairman, the right hon. Member for West Dunbartonshire (Mr. McFall), stated:

"What is new is the declaration that future schemes, not yet devised or which have not yet come to the Inland Revenue's attention, may be stopped as from 2 December 2004. This amounts to a general anti-avoidance rule".

The Government must address certain issues if they wish to move from a disclosure regime to a regime for the taxation of rewards and national insurance. If a general anti-avoidance regime is deemed necessary because avoidance is supposedly rife the Government may fall into the trap of creating more tax legislation of increasing complexity and thus an increasing number of opportunities for the clever gentlemen described by the hon. Members for Stoke-on-Trent, South (Mr. Flello) and for Hartlepool to devise tax avoidance and evasion schemes. It is therefore disappointing that the legislation has been introduced, because it highlights the need for a simpler tax system with fewer reliefs, exemptions and discontinuities to thwart most tax avoidance

Rob Marris: The hon. Gentleman has put the cart before the horse. We have complex tax legislation because there are anti-avoidance schemes. We do not have anti-avoidance schemes because of complex tax legislation. If one looks at the history one can see which came first and thus which is the cause and which the effect.

Stephen Hammond: I beg to differ—it is the hon. Gentleman who has put the cart before the horse. There are more members of the tax planning community because the Government are creating more complex legislation, in which tax planners seek to pick holes.

Tax practitioners acknowledge that measures in the Bill will act as a deterrent impact, but Joy Svasti-Salee of KPMG says that

"they create uncertainty which is not good".

It is not clear which schemes will be allowed and which prohibited when they are left unspecified by a general catch-all. By contrast, specific laws would aim to define abuse and avoidance. Discretion has been granted to the authorities over NICs and income tax but, as my hon. Friend the Member for Cities of London and Westminster said, that should go hand in hand with binding tax and NIC clearance granted by the HMRC when its opinion or advice is sought about a tax scheme by a taxpayer prior to making certain decisions about the structure of their financial affairs.

HMRC has resisted that proposal, and undoubtedly the Paymaster-General will repeat that it is not in the business of giving free tax advice. That argument falls, because she has changed the rules, and if a specific proposal is taken to HMRC on a matter of tax or NIC policy in which the authority has acknowledged and increased discretion, it is wholly appropriate that it should have a duty to give a ruling about how it will exercise those powers prior to the implementation of a scheme.

Dawn Primarolo: The hon. Gentleman's argument is based on a fundamental misunderstanding. The Bill does not give discretion to HMRC. The House will decide whether avoidance schemes are to be closed down as a result of the proposal in both the Finance Bill, which introduces primary legislation on income tax, and in national insurance regulations, which are subject to the affirmative procedure. It is the House that takes the decision and no one else.

Stephen Hammond: None the less, if discretionary powers are to be increased overall—*[Interruption.]* There is obviously a dispute about whether the Government are increasing discretionary powers. It is clear, however, that the Bill fails to introduce a corresponding binding clearance regime, even though that would be desirable.

Finally, what are cost implications of the Bill for business? The regulatory appraisal says that employers who have engaged in avoidance must submit supplementary end-of-year returns for NICs. According to the explanatory notes, that will affect only 500 employers and will not cost more than £3,000 per employer. Does the fact that the number of affected employers is small show that the previous regime was working? Who calculated the £3,000 cost? The regulatory appraisal says that 21,000 small businesses and a further 90,000 self-employed people will incur small familiarisation costs, which is a big extra burden on business. Who made that estimate and who judged the costs to be negligible? The explanatory notes say that the measure will generate an additional £95 million in NICs in 2004–05, and £240 million per annum thereafter. The HMRC website, however, states that the Bill will secure tax and NIC yields of £200 million in 2004–05 and £500 million thereafter. It will be interesting for the House to know which of those is correct.

There are elements of the Bill that may be regarded as non-controversial, but we need to explore the possible use of the powers beyond the purpose for which they are intended, the avoidance *v.* tax planning issue, the introduction by the Government of a general anti-avoidance rule, and the potential cost/benefit of the measure for business.

2 pm

Mr. Richard Spring (West Suffolk) (Con): Nobody could dispute the important principle that illegitimate tax avoidance must be dealt with, but as we heard in our debate today, there are issues concerning certainty, which means that we must consider legislation such as the Bill with great care and sensitivity.

I have two general points to make. First, simplifying the tax system as a whole would, over time, reduce the desire to avoid tax by complicated schemes, NIC schemes or other forms of avoidance. However, as emerged clearly today, retrospection should be used very sparingly indeed. I fear we risk moving away from that principle as the Government desperately try to fill their black hole. Secondly, the increasing burden on small businesses from filling in extra forms and providing even more information to the Treasury as a result of the Bill must be considered in the context of the ever increasing weight of bureaucracy.

I thank all those who spoke in the debate. I was particularly pleased that we had a contribution from the hon. Member for Stoke-on-Trent, South (Mr. Flello), because I see that before he came to the House he was a tax consultant and worked for the Inland Revenue, so I am sure he will make worthwhile contributions to discussions on these matters in future. He spoke about gold, mink coats, coffee beans and other esoteric items. I worked in the financial services industry until 1992, but none of these was on offer, as I recall, though apparently that did happen.

The hon. Member for Twickenham (Dr. Cable) was right to say that it is difficult to brand something as wholly legitimate or wholly illegitimate. There is indeed a spectrum, and in the present context situations are not always clear cut. I agree that we are discussing a practical issue. He spoke, for example, about the clawing back of concessions already made to employees, again taking up the powerful point about the over-complexity of regulations and the tax system. I hope Ministers will recognise that.

The hon. Member for Hartlepool (Mr. Wright) declared how virtuous he had been in his previous life. I say to him as gently as possible that the words "virtue" and "Hartlepool" are not automatically associated in people's minds in the House. I feel sure that he will overcome that in due course. He spoke about NIC scams, the issue of retrospection, and very high salaries in the private sector. However, high salaries are not confined to the private sector. He will know what goes on in local government and the sort of salaries paid to people in primary care trusts and the NHS.

My hon. Friend the Member for Croydon, Central (Mr. Pelling) rightly pointed out that complexity encourages avoidance. That is the theme that has run through the debate. Simplifying the system would increase revenue and promote certainty. My hon. Friend spoke of wealth creation and the important role of wealth creators in our society. My hon. Friend the Member for Ludlow (Mr. Dunne) spoke about uncertainty and the fact that the Bill reinforces the principle of retrospection. He was right to say that there was always the risk that people coming to work in the United Kingdom from abroad had arrangements for a proportion of their remuneration to be made elsewhere. He noted that we were in a globally competitive marketplace for good people. The City of London is hugely important to our financial and economic well-being, and he was right to highlight the re-insurance market.

In a thoughtful contribution, my hon. Friend the Member for Wimbledon (Stephen Hammond) emphasised the need for great caution with regard to retrospection. He spoke of the importance of certainty for business investment purposes, the threat of investment being undermined by the lack of certainty, the importance of defining constraints and the movement towards a more general anti-avoidance culture, with all that flows from it.

Many experts have commented that we need more assurances on the scope of the proposed powers and the way in which they will be used. It is not sufficient that the explanatory notes state that the retrospective powers will be used only in anti-avoidance situations—a point made tellingly by my hon. Friend the Member for Cities of London and Westminster (Mr. Field). Who will judge what constitutes unacceptable avoidance? We need to treat retrospection with great care.

Many firms will be setting out their tax plans and accounts for the forthcoming year and will already have done so for the previous year. In its 2004 pre-Budget report, the Treasury Committee stated in respect of retrospection:

> "The Inland Revenue should, without jeopardising their position, publish a paper setting out their thinking on the principles which will guide the way they implement this announcement".

The explanatory notes, though welcome and clear, are not a full and satisfactory substitute for such a paper. At least businesses will then have additional certainty about how the law will apply to them.

Clause 1 seems to indicate that the powers will be used in such a way as to ensure that as far as possible NICs, income tax and PAYE are changed in parallel. Although we welcome the assurance from the Paymaster General that businesses would be given time, a coherent approach is necessary and we would welcome the Government's assurance that that is their intention and details of how it is to be orchestrated.

After reading the explanatory notes, outside observers were struck by the fact that the overview of statutory payments in annexe B is an illustration of how much work has to be done by employers on behalf of the Government in handing out the benefits. In the regulatory impact assessment, the Government attempted to assess the Bill's potential impact and came to the conclusion that the combined impact of the measures included in the Bill

> "will not impose significant additional burdens or costs on employers unless they engage in contrived schemes to avoid income tax and NICs on remuneration paid to their employees."

They further state that the NIC avoidance measures are not aimed at businesses of any particular size and will not affect small businesses disproportionately. However, it should be remembered that small businesses may find it more difficult to attract quality personnel, and therefore need to be able to offer tax-efficient employee incentive schemes.

As the Government have already announced, the powers in the Bill will first be used to tackle NIC avoidance through employment-related securities. It has

been suggested that that will disproportionately affect the businesses that the Government originally intended to promote by introducing tax-efficient employee incentive schemes such as the enterprise management incentive scheme. That requires clarification. I do not expect the Minister to comment specifically on the scheme this afternoon, but it would be useful if he could write to me explaining how such a scheme is likely to operate in future.

The enterprise management incentive scheme was introduced in the Finance Act 2000 and it neatly demonstrates the conflicting and contradictory aims that may be the result of complicating the tax system and over-regulating the business community. The scheme was designed to help small, growing companies to recruit and retain high-calibre individuals who would otherwise be attracted by more established businesses offering better salaries. A qualifying company is allowed to grant share options worth up to £3 million to any number of its employees. No tax or NICs are payable on the grant of the share options, provided that they are capable of being exercised—and are exercised—within 10 years. If, on the exercise of the share option, the price at which the employee can exercise the option is at least equal to the market value of the shares when the option was granted, no tax or NICs are charged.

While such schemes are welcome for trying to help smaller, entrepreneurial companies to attract and recruit high-quality individuals, the Bill might disproportionately affect the very companies that the Government are trying to help to implement similar schemes, for similar purposes, by mitigating the amount of NICs that they pay. I am thus citing a practical example of what we are talking about, so I would like the Minister to shine some light on how the system is likely to work in practice.

We have seen huge growth in the size of the Red Book over the past few years, and our tax system is now very complex. A frenetic game of cat and mouse has been played on tax avoidance, primarily regarding NICs, between the Treasury and the Revenue, and the tax advisory sector, which devotes ever-increasing amounts of time and effort to exploiting legal loopholes in legislation to minimise NIC liability or other forms of taxation. The whole tax advisory business has blossomed under this obsessively bureaucratic Government.

The need for Government revenue and the complexity of the tax system provoke and increase attempts at avoidance because they cause too many loopholes to be exposed. If the Government are intent on continuing to deal with the symptoms rather than the cause, the patient will continue to get sicker. Meanwhile, an annual dose of alternative medicine in each Finance Act will simply not give us a long-term cure.

It has been estimated that 21,000 small businesses, and perhaps a further 90,000 self-employed persons, will incur learning and familiarisation costs as a result of the Bill. Ministers must realise that regulations do not exist in a vacuum. Once they leave Whitehall they do not simply float away. Regulations have had a significant and direct effect on businesses that have to devote time and resources away from increasing production so that they can focus on compliance with Government regulations.

The British Chambers of Commerce says that the total cost of regulation to British business is now running at many billions of pounds—it has increased dramatically. The Government have introduced over 27,000 regulations since coming to office, which is an average of nearly 4,000 each year, or 15 new regulations every working day. They have hugely increased the burden of regulation since they came to office.

Rob Marris: The hon. Gentleman referred to HMRC estimates that 21,000 small businesses and perhaps 90,000 self-employed persons could incur learning and familiarisation costs. Those businesses and individuals specialise in accountancy and tax. Is he saying that a reason not to have anti-avoidance legislation is the fact that accountants would have to read a bit more?

Mr. Spring: I always love the hon. Gentleman's interventions as he is defending and promoting the interests and growth of the tax advisory sector—they are magnificent. There is no one who does not get his valued attention, and I hope that he will serve on the Bill's Committee to add to the enjoyment of Ministers.

Does such a form of government by regulation help to explain why our competitiveness has been shrinking, which is a problem that we will increasingly face in years to come? Does the Chancellor believe that our businesses should be tied up by spending more money not on investment and development, but rather on complying with copious Government regulations?

Of course illegitimate tax avoidance is unacceptable and should be dealt with, but the context in which many Government regulations are promulgated is making Britain a less attractive place to do business. If business investors are intimidated about setting up business here—due to lack of certainty, or a perception that retrospection will become an increasing part of the culture of doing business in this country—we will ultimately be the losers, so the matter must be treated with more sensitivity for the future economic growth and performance of this country.

2.15 pm

The Economic Secretary to the Treasury (Mr. Ivan Lewis): This has undoubtedly been an interesting debate about an important Bill that is absolutely central to the Government's aim of deterring tax and NICs avoidance. Before I address some of the specific points raised during the debate in a little detail, I shall reiterate the Bill's purpose.

The Bill demonstrates our continuing commitment to take action against avoidance. It is key to achieving the Treasury and Government's objectives of fairness and opportunity by ensuring that all pay the correct amount of tax and national insurance. It is an essential element in building a serious and credible deterrent against future avoidance activity, and is needed to secure a total tax and national insurance yield of £200 million in 2004–05 and £500 million a year thereafter. As the income tax disclosure provisions have demonstrated, it is not possible to anticipate the range and complexity of such extremely contrived arrangements. The

[Mr. Ivan Lewis]

Government intend to close down such activity permanently. The Bill will ensure that the Government can deal with any arrangements that emerge in future that are designed to frustrate their intention that employers and employees should pay the proper amount of national insurance on the rewards of employment.

I now come to specific points raised during the debate. The hon. Member for Cities of London and Westminster (Mr. Field) made a typically reasoned and fair speech. Indeed, it was based in the real world to a large extent, but when he talked about sitting on this side of the House and visiting the constituency of my hon. Friend the Member for Wolverhampton, South-West (Rob Marris) one day, it began to reach the realms of fantasy.

The hon. Gentleman seemed to advocate the virtues of a flat tax. I tell him that we will make it absolutely clear to the British people at every opportunity that if the Conservative party were ever to govern this country, it would impose on the people a flat tax that would be both unfair and impractical. The people of this country will make judgments about the nature of such policies when the time comes.

The hon. Gentleman used the phrase "desperate Treasury" and that sentiment was echoed by several Conservative Members. That desperate Treasury has delivered to this country low inflation, low interest rates, 2 million new jobs and the lowest unemployment in living memory. Let us be clear what the business community asks of any Government—that they deliver stability. If a Government deliver economic stability, businesses will grow and prosper. No Government since the war in this country have delivered such macro-economic stability as ours, so let us stop the nonsense of labelling the Treasury as desperate, or of saying that measures such as the Bill somehow undermine business competitiveness.

The hon. Gentleman talked about bona fide avoidance schemes, although I am sure that he did not mean to do so. There is no such thing as a bona fide avoidance scheme, although his comment colours several contributions made by Conservative Members. Avoiding taxation is not a demonstration of flair and innovation. If we gave people the impression that we will incentivise, reward and encourage flair and innovation in the context of avoiding tax responsibilities, what kind of message would we be sending to the private sector in this country?

Mr. Mark Field: I think that the Economic Secretary will find that the record shows that I referred to bona fide remuneration schemes earlier on.

The hon. Gentleman makes an important point about flair and innovation. I tried to make as balanced a point as possible about that in my speech. Flair and innovation mean not just the flair and innovation of the brightest tax and employment benefit remuneration scheme advisers, who try to find small differences between their schemes and those proposed by the Government so that they can avoid taxes. Flair and innovation have a far more important part to play. My hon. Friend the Member for Ludlow (Mr. Dunne) and I made it clear that flair and innovation have made this country a great trading nation over many centuries. We play around with those facets at our peril.

Mr. Lewis: I agree entirely with the hon. Gentleman. I shall read out the recent result of a survey. It reads:

"London has been named the best European city in which to locate a business for the 16th year in succession."

That is according to an annual survey.

"The United Kingdom capital has also increased its lead over second place Paris and third place Frankfurt."

That is what the latest *European Cities Monitor* shows. London came top in five of the 12 categories questioned in the survey, including the quality of staff. Any suggestion that there is any undermining of flair and innovation by the Government's policies, economic or social, is arrant nonsense.

Mr. Field: I will not take any personal credit for London's great name in this regard. There is an important point in relation to flair and innovation, in that we are talking of a global market. We are quite happy with and proud of our record against other European countries, but we are inward looking if we believe that our success against Paris, Hamburg or Munich is enough. There are 23 cities with a population of 2 million or more. Cities are fast growing In China. There are cities growing up from Delhi to Bangalore. There are other such cities in India. We exist in a global market and it shows a paucity of aspiration simply to make reference to our success in competitiveness, flair and innovation by comparison with our European neighbours.

Mr. Lewis: By any international comparison this country is doing well economically. Having said that, we have a long way to go. There are many other countries that would die to have low inflation, low interest rates and the levels of unemployment that this country has, as well as, alongside that, our level of investment in the public good and in public services. There are so many countries that would aspire to achieve the combination of economic stability and economic success alongside social justice, which arguably has been uniquely the success of this Government. That is in the context of the global challenges that lie ahead.

We are not complacent. We recognise that the challenges that will come at us in future from India and China require us to raise our national game even further in skills, innovation, long-term planning and in sensible and active regional policy. We recognise also that there is a constant need for the Government to be encouraging the country to be dynamic and to be accelerating the pace of change. It is necessary to recognise the real challenges that come as a consequence of globalisation.

It would be churlish of any Opposition Member to start lecturing the Labour party on economic policy or economic performance. The worst thing that business could face would be a return to boom-and-bust economics. That was the legacy that the Government sought to tackle, and we have done so incredibly successfully.

My hon. Friend the Member for Stoke-on-Trent, South, (Mr. Flello) made an excellent contribution to the debate. He hit the nail on the head when he said that

the issue here is the importance of fairness and equity and the idea that all taxpayers should fulfil their proper responsibilities as equal citizens of this country, wherever they live, whatever their income levels and whatever sector they work in. I agree entirely with my hon. Friend.

I am pleased that the hon. Member for Twickenham (Dr. Cable) said up front that he supports the objectives that are set out in the Bill. He was right to talk about a spectrum of behaviour. However, I challenge the hon. Gentleman on one of his points. He said that this is not a moralistic issue, but entirely a practical one. I believe that people paying proper and fair levels of taxation is a moral issue in terms of the sort of society and economy that we want to be encouraging. The hon. Gentleman is right in saying that we cannot just have a moral approach. I accept that we must be very careful about the practical consequences. However, it is my view that we are dealing with a moral issue.

The hon. Gentleman and others spoke about the retrospective nature of the proposed measures. Probably the best justification for retrospection is for me quickly to remind the House of what has happened year after year. In 1991, we had unit trusts. In 1993, there were gold bullion and tradable commodities. In 1994, there were diamonds and fine wine. In 1995, we had grants of options in third party companies. In 1996, there were own company share awards and options. In 1997, we had trade debt and restricted covenants. In 1998, there were conditional shares. In 1998 there were also readily convertible assets. In 1999, we had the exercise of options. In 2003, there were employee benefit trusts. There were also adjustable options. Also in 2003 there was national insurance contributions alignment to schedule 22 to the Finance Act 2003. In 2004 there was national insurance contributions alignment to sections 86 to 95 of the Finance Act 2004.

All those examples reinforce the need to move in the direction in which the Bill takes us. Anyone considering these matters objectively, while understandably raising some concerns, would have to agree that on balance—the balance of judgment—this is the right thing to do.

Mr. Dunne: We have just heard for the second time from Ministers a list of the previous mischievous attempts to get around the tax and national insurance regime. However, that fails to deal with the issue of retrospection, about which my hon. Friends and I were arguing. We are talking about retrospective action from the point when the Bill becomes an Act, compared with the point when an announcement is made in the House. That is the period where there is difficulty.

Mr. Lewis: My right hon. Friend the Paymaster General made a clear statement in December 2004. It seems to me that these measures should take effect from the moment when that statement was made on the basis that anybody who behaves in a particular way is aware of the consequences. The statement was absolutely clear. I believe that it is right, therefore, that the measures should take effect from the making of the statement.

Mr. Spring: The Minister is slightly missing the point. Of course he can make his point in defence of the remarks made by the Paymaster General. He has cited a string of efforts to clamp down on illegitimate tax activity, but he has not dealt with the question of retrospection. He is seeking to align the two. We are in new territory in the way in which things are being done. That is why care and sensitivity have to be extremely carefully defined.

Mr. Lewis: The hon. Gentleman can always rely on me to be caring and sensitive, particularly when responding to his points.

It is a question of judgment. We are in new territory, and we have made the decision that that is where we should be in terms of the taxpayers and what the Government are entitled to expect in respect of our own certainty. We have heard a great deal today about certainty for others. It seems to me that the taxpayer, the Revenue and the Government are entitled to stability. We should never get ourselves into a situation in the House where we say that we all agree that avoidance is unacceptable and then spend most of a debate trying to legitimise avoidance by saying that in some circumstances it may be acceptable. That cannot be appropriate.

My hon. Friend the Member for Hartlepool (Mr. Wright) made an excellent contribution, as ever. He made the point that this is not a party political issue at all. Previous Governments have moved repeatedly to close down loopholes. The right hon. Member for Hitchin and Harpenden (Mr. Lilley)—a former Secretary of State in the previous Government—made several such decisions. My hon. Friend also underlined that this is about fairness. We must assure all our constituents—whatever their income or background, or wherever they live—that this country's tax system will treat them equally under the law. He was right to make that point.

The hon. Member for Croydon, Central (Mr. Pelling) accused my hon. Friend the Member for Hartlepool of begrudging the City of London its success. My hon. Friend did not say that, but let us be clear that avoiding tax has nothing to do with the City of London's excellent reputation, of which every hon. Member should be proud. In fact, linking tax avoidance to the people who function in the City damages its reputation and is unfair to the vast majority of people who work to create wealth successfully there.

The hon. Gentleman and many other hon. Members referred to the complex nature of the tax system. Much of the complexity in our tax system is a consequence of avoidance. We should be telling those who avoid tax as a matter of course that they need to change their behaviour and that they cause much of the complexity, although I am shocked that he could think that PAYE is complicated.

The hon. Member for Ludlow (Mr. Dunne)—in a usual, very cheap shot—said that the Prime Minister had woken up to globalisation recently. That is an astonishing claim because, as I have said, the Government's whole economic framework is designed to put this country in the best possible position to respond to the perpetual challenges that globalisation throws at it. Our Prime Minister and our Chancellor have been leading the debate in the European Union and the international community about the need to be

[Mr. Lewis]

outward looking and to consider what is happening in India, China and the rest of the world, but the Conservative party has the cheek to suggest that, somehow, we have only recently woken up to those challenges.

Mr. Mark Field: The Prime Minister says all the right, warm words. Indeed, I very much agree with what he and the Chancellor have said in the past two years. I wish that the Conservative party had made more of China, India and the importance of global competitiveness in our election campaign only in May. However, all this is, as ever, about implementation. Any of those in business in China's large cities will say that Germany is the main European player in that market. The Germans have made significant headway in investing in joint ventures there. We need to put the money where our mouth is. In particular, I make a plea to the Foreign Office. A number of Foreign Office trade missions have been closed not just in Asia, but in Africa. I hope that there will be some reversal of that to ensure that such ideals are put in place.

Mr. Lewis: We politicians have just watched from a distance the political crisis in Germany, much of which is connected to the fundamental weaknesses and difficulties in the German economy. The German people and political classes would be delighted to have the economic framework that the Government have created in this country since 1997. Arguably, Germany has experienced some of those difficulties, yes, because of unification—we must be fair about that, and a lot of people are unfair when they forget to mention the unification of Germany—but also because it has been slow in some ways to face up to the realities of global economic change, and our economic policies have been based entirely on facing up to them.

The hon. Member for Wimbledon (Stephen Hammond) expressed sadness that my hon. Friend the Member for Wolverhampton, South-West had not spoken in the debate. That sadness is shared by those of us on the Front Bench, and we look forward to his taking a similar role in Committee. The hon. Gentleman wants an assurance that our approach to the tackling of avoidance will be proportionate—I can give him that assurance—but he talked about the cost implications for business. The message is simple: if business does not avoid tax, these anti-avoidance schemes have no cost implications.

The hon. Member for West Suffolk (Mr. Spring) asked in his contribution whose judgment would be in play in these issues. It will be the House's judgment. Direct taxation is dealt with in the Finance Bill. National insurance issues are dealt with by affirmative resolution in both Houses. So the Government are certainly happy to take responsibility for those questions of judgment. He also asked me—I am a bit puzzled by this—to write to him about a specific scheme that he referred to so that I can tell him what he is talking about. I should be delighted to tell him what he was talking about, and I will write to him about that specific scheme, although I do not recall its name.

This has been a good quality debate on the whole and a good natured debate. There is consensus on both sides of the House about our responsibility and duty to have a fair taxation system and to tackle tax avoidance effectively. Clearly, we must debate a number of points in Committee, and I look forward to those debates. I commend the Bill to the House.

Question put and agreed to.

Bill accordingly read a Second time.

NATIONAL INSURANCE CONTRIBUTIONS BILL (PROGRAMME)

Motion made, and Question put forthwith, pursuant to Standing Order No. 83A(6)(Programme motions),

That the following provisions shall apply to the National Insurance Contributions Bill:

Committal

1. The Bill shall be committed to a Standing Committee.

Proceedings in Standing Committee

2. Proceedings in the Standing Committee shall (so far as not previously concluded) be brought to a conclusion on Thursday 17th November 2005.

3. The Standing Committee shall have leave to sit twice on the first day on which it meets.

Consideration and Third Reading

4. Proceedings on consideration shall (so far as not previously concluded) be brought to a conclusion one hour before the moment of interruption on the day on which those proceedings are commenced.

5. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on that day.

6. Standing Order No. 83B (Programming committees) shall not apply to proceedings on consideration and Third Reading.

Other proceedings

7. Any other proceedings on the Bill (including any proceedings on consideration of Lords Amendments or on any further messages from the Lords) may be programmed.—*[Mr. Watson.]*

Question agreed to.

BUSINESS OF THE HOUSE

Ordered,

That, at the sitting on Tuesday 1st November, notwithstanding the provisions of Standing Order No. 16 (Proceedings under an Act or on European Union documents) the Speaker shall put the Questions necessary to dispose of proceedings on the Motions:

(i) in the name of Mr Geoffrey Hoon relating to the House of Commons Commission;

(ii) in the name of Mr Bob Ainsworth relating to the Parliamentary Pension Fund, the House of Commons Members' Fund and the Public Accounts Commission; and

(iii) in the name of Mr Peter Lilley relating to the House of Commons Members' Fund (Discretionary Payments),

not later than one and a half hours after the commencement of proceedings on the first Motion; such Questions shall include the Questions on any Amendments selected by the Speaker which may then be moved; proceedings may continue, though opposed, after the moment of interruption; and Standing Order No. 41A (Deferred divisions) shall not apply.—*[Mr. Watson.]*

PETITION

Council Tax

2.35 pm

Mr. David Kidney (Stafford) (Lab): I present a petition that is one of a series instigated by the IsitFair campaign about council tax, signed by 422 people from the Stafford constituency.

The petitioners request

that the House of Commons votes to replace Council Tax with a fair and equitable tax that, without recourse to any supplementary benefit, takes into account ability to pay from disposable income, such tax to be based on a system that is free from any geographical or politically motivated discrimination, and that clearly identifies the fiscal and managerial responsibilities of all involved parties.

And the Petitioners remain, etc.

To lie upon the Table.

Affordable Housing (Cumbria)

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Watson.]*

2.36 pm

Tim Farron (Westmorland and Lonsdale) (LD): I am extremely grateful for the opportunity to address the House on the subject of affordable housing in Cumbria. My constituents in Westmorland and Lonsdale have average incomes of around £16,000 per annum, with average house prices at about £200,000. According to the Government's assessment of an affordable home—a home valued at three and a half times one's income—my constituents would need to earn more than three times the local average in order to own a home in their area.

For most local people in south Cumbria, buying a home is simply out of the question, but now a decent rented home is getting beyond the reach of most people. Last year, the local authority sold over 250 council properties, and at the same time roughly 130 new social houses for rent were made available by local housing associations. That is a net loss of 120 social houses during the last 12 months, and that is the lowest net loss for many years, partly because the council is simply running out of council houses to sell.

People who, had they been first-time buyers a decade ago, would have been able to afford a mortgage for a starter home, have absolutely no chance of doing so now. Those people do one of two things: they either leave the area or they enter the rented market, both of which have seriously damaging effects on our local communities. South lakeland currently loses 27 per cent. of its young people, never to return. Not only is that heart-breaking for local families, it is also disastrous for the economy and for society, stripping our towns and villages of talent and energy, reducing the skills base, reducing the birth rate, leading to falling school rolls and leaching the lifeblood from our communities.

Those who stay and decide to rent find themselves joining a pressurised market. As the pressure on the market and the private rented sector grows, rents go up, pushing many more families into the social rented sector. But the amount of social housing is shrinking each year and the consequences of that are appalling. Families who, a decade ago, would have qualified comfortably for a council or housing association property are now dumped in substandard or inappropriate accommodation, waiting on a housing list for an eternity. In Kendal, the council is forced to offer young families hostel accommodation for months on end because there are simply no homes available.

The human misery caused by this situation is immense. The impact on the physical and mental health of people caught in the trap is vast, and the effect on the children involved is unacceptable in any civilised society, and yet, of the 42,000 properties in my constituency, roughly 7,000 are not lived in. Some of those are holiday lets, which provide a valuable tourist income to our area, but most are second homes and are left vacant for much of the year.

Excessive second home ownership pushes house prices even further beyond the means of local people and removes homes that would otherwise be, and indeed once were, in the hands of local families. The impact on

[Tim Farron]

our community of excessive second home ownership is crippling, because the loss of properties to the second home sector threatens the survival of local businesses, schools and public transport, as well as other services. Villages such as Satterthwaite and Lowick in my constituency have lost, or are soon to lose, their local schools because the houses that used to send children to those schools now stand empty for much of the year. Villages such as Bouth have lost their post office and others, such as Crosthwaite, face the same fate because the houses no longer contain local consumers.

I do not want to focus any blame on people who have second homes, and I would not want to upset Labour Members, many of whom no doubt have second homes. I merely make observations about my constituency, where I have my home and where my constituents struggle in the face of a lopsided and increasingly inaccessible housing market. Local people do not resent second home owners; indeed, many who are classified as such are people who have purchased a home in my constituency with the intention of moving to it full-time once they retire. Those people will become fully fledged and wholehearted members of the community in time. I encourage them to hurry up and join us as quickly as possible, because their local post office, church and bus service need them.

My constituency is among the most picturesque in England, and one might say, "If you can afford to have a home there, why shouldn't you?" The answer is simple. We welcome people to Cumbria, including those who have second homes. I have no desire to demonise those people at all, but I am not a supporter of the unfettered free market; neither, I suspect, is the Minister.

Mark Williams (Ceredigion) (LD): Is my hon. Friend aware that my local authority area, Ceredigion, is the least affordable in Wales in which to buy a home, and that comparisons between Cumbria and Ceredigion are marked, with the lowest average wages in Wales coupled with the highest prices?

Madam Deputy Speaker (Sylvia Heal): Order. I appreciate that the hon. Gentleman has referred to Cumbria, but this debate is about affordable housing in Cumbria, not in Wales.

Tim Farron: My hon. Friend is right to draw attention to the fact that affordable housing is a problem throughout the country, particularly in rural areas. We fear that some of the concerns in rural areas across the United Kingdom, especially in Cumbria, are being overlooked by the Government in their attempt to tackle the issue of affordable housing.

Adam Smith may have been a Liberal, but he was nevertheless wrong in this respect: no invisible hand is in evidence to correct the faults in this market—it is up to society to employ its visible hand to correct imbalances, to protect true freedom, and to ensure fairness.

The Minister may be interested to hear that in the past six months I have had two letters from second home owners ticking me off for my stance on this issue—I do not think that either was from the Minister's neighbour, the right hon. Member for Oldham, West and Royton (Mr. Meacher). I said to them, and would say to any second home owner, that I fully recognise the liberty to purchase a second home, but respectfully point out that the right to have a decent first home is a much more important liberty.

Danny Alexander (Inverness, Nairn, Badenoch and Strathspey) (LD): Does my hon. Friend share my concern that the proposed Government regulations on self-invested personal pensions, which are due to come into force on 1 April next year, will have a dramatic impact on the demand for second homes in Cumbria and in my constituency?

Madam Deputy Speaker: Order. I remind hon. Members, as I did a few minutes ago, that this debate is about affordable housing in Cumbria.

Tim Farron: I am grateful to my hon. Friend for raising that important point, to which I shall turn in a moment.

It is important to recognise that there are competing liberties here—the right to have a first home and the right to have a second home. When it comes to a competition between those liberties, and at times it does, I am certain about which side of the fence I am on. It is important that the primary right is to a decent and affordable first home for people and their families. Second home ownership can bring some benefits to an area but a balance needs to be struck.

How do we achieve that? The Government could put a cap on the second-home market in those parts of Cumbria where it is agreed that the proportion of second home ownership is excessive. They could do that by introducing a new planning law that would place turning a first home into a second home in a formal category of change of use. In parishes where second-home ownership exceeded an agreed limit, the planning authority's default position would be to refuse any application for a change of use.

Mr. Dan Rogerson (North Cornwall) (LD): I welcome my hon. Friend's comments on planning. Does he agree that there is also an opportunity for dwellings that are currently second homes, when resold, to be brought back into use as first homes through that planning mechanism?

Tim Farron (Westmorland and Lonsdale) (LD): Yes. I am grateful to my hon. Friend for making that point. Clearly, the Government could build such a provision into the mechanism. That would be helpful. It is important to examine the possibilities and be pragmatic. It is not beyond the Government's wit to draft enforceable legislation and guidance on the matter.

Another way in which to affect the housing market positively would be to build on the Government's encouraging recent work of granting local authorities permission to charge second home owners up to 90 per cent. of the full amount of council tax. The position is much improved. The previous Conservative Administration—representatives of which are scarce—deliberately granted a 50 per cent. council tax subsidy for second-home owners when they introduced the council tax in 1991. It is a great shame that no

Conservative Members are here to intervene and put me right should I be wrong. It was a reprehensible act, which redistributed wealth from the hard-working many to the privileged few.

I urge the Government to abolish the remaining 10 per cent. relief to second home owners and to examine the possibility of introducing permission further to increase council tax for second home owners in areas where there is deemed to be an excess of second-home ownership. Such a measure would reduce demand for second homes, although, realistically, it may not make a vast difference. More important, it would provide local authorities with the wherewithal to fund new affordable housing schemes.

The communities of south lakeland are well aware of the Government's plan, which has already been mentioned, to introduce new pension rules from April 2006, to give tax relief of up to £215,000 to individuals who invest in a second or third property and place it in their personal pension. They also know that the change will have disastrous consequences for our area, providing another incentive for purchasing second homes and further heating an already overheated market, thus leaving local families who are searching for a home in an even more desperate position.

With one in six homes already beyond the reach of local families, how much worse will the position be for Cumbria's towns and villages when the new pension rules are introduced? How many more local young people and families will be forced to move away from the area that they call their home as a result of the proposal? How many beautiful lakeland villages, which so many hon. Members have visited on their holidays, will become moribund ghost towns, bereft of a living, working community?

The Lake District and the Yorkshire Dales national parks are in my constituency. For those national parks to remain valuable centres of peace and recreation for the nation, the communities in them must not be allowed to die, replaced by weekend havens for the well-to-do. The national parks were set up as accessible assets for the nation—for the people of this country. To contribute towards the parks' becoming available only to a minority flies in the face of the national park ideal, with which the Labour party has often closely aligned itself.

I am sure that the Government did not intend to damage rural communities through their pension plans. However, the proposal's unforeseen consequences will be appalling. I ask the Minister to confirm in his response that the Government will abandon the proposed change in the pension rules.

Danny Alexander: Does my hon. Friend accept that the consequences are not totally unforeseen because Liberal Democrat Members have raised them not only in the past few months but in the past couple of years? Despite the assurances from the Treasury that such consequences will not ensue, the aggressive marketing campaigns of many companies to promote those products suggest that they could ultimately be worth several billion pounds.

Tim Farron: My hon. Friend makes an excellent point. Perhaps I was being a little too generous, and gentle, to the Government in the hope of coaxing something out of them.

I suggest that, if the Government are seeking to stimulate saving and investment, they might instead offer tax credits for investment in affordable housing developments. The benefits of such a move would be many and, importantly, they would be shared. Such a scheme would provide a return for investors, a boost to the supply of affordable homes, and a contribution to the achievement of Government policy—which would be no bad thing, I am sure.

While I am in the mood for making suggestions, may I say that I would be grateful if the Government actively encouraged the sustainable development of affordable homes for local people within the national parks? The Yorkshire Dales national park, for example, has won plaudits for its work in ensuring the development of affordable homes for local people and in flexibly interpreting its planning and conservation roles, employing much-needed common sense in response to local needs. Such good practice should be spread to other national parks, with the Government's proactive support.

My neighbours and fellow residents in Westmorland and Lonsdale face average house prices that are 13 times higher than the average annual wage. This is not untypical for rural areas such as ours, as my hon. Friends have pointed out. The Government's support for the development of new affordable housing, for purchase as well as for rent, is welcome, as is their support for shared ownership schemes and for the provision of local occupancy clauses in affordable housing developments.

However, I have two concerns in that respect. The first is that the term "affordable" seems to have been stretched beyond all credibility. New properties on sale for upwards of £120,000 are being presented as affordable housing, but I can assure the House that, for most of my constituents, that amount is definitely not affordable. Secondly, local occupancy clauses are far too easily abused and thwarted. I have come across many examples in Grasmere, Windermere, Coniston and Ambleside of buyers who, technically, meet the criteria for local occupancy, but who have purchased property and let it for commercial purposes, rather than for the provision of affordable housing to local families. I hope that the Minister will take notice of my early-day motion calling for more effective enforcement of local occupancy clauses.

In closing, I observe that the term "affordable housing" has now fully entered the Government's lexicon, and I am grateful for that. However, the problem is that too much housing in Cumbria is unaffordable, and too much of it is unoccupied. That situation is not inevitable, however, and it is certainly not irretrievable. It is within the grasp of society to affect this situation, and to remove the appalling pressure on local families. The Lake district and the Yorkshire dales, which I represent, are often described as the lungs of England. I call on the Government to take action that will benefit the communities that populate those lungs, to allow them to breathe more easily.

2.53 pm

The Minister for Local Government (Mr. Phil Woolas): I should like to start not only with the traditional congratulations to the hon. Member for Westmorland

[Mr. Phil Woolas]

and Lonsdale (Tim Farron) on securing this debate, but with very genuine congratulations. He has raised this issue in his maiden speech, in two letters to the Office of the Deputy Prime Minister, in his early-day motion, in a press release this afternoon and in this Adjournment debate, and I congratulate him on his campaign. I agree with much of what he has said, and I commend him in other ways as well. I commend him for his election result, which we all watched with interest, and I am happy to commend him for his Lancastrian roots. However, I have to disagree with his choice of football team. I am afraid that he is a Blackburn fan—which is a little way down the road from my own home town—but he cannot be perfect.

The hon. Gentleman has raised some important questions in this debate. I want first to set out the national approach, and then to consider the situation in Cumbria. I shall then try to address some of the specific points that he has raised. It is well known that the Government are committed at national level to addressing the need for more affordable housing. The background to the problem is deep rooted and long standing. Let me give a couple of statistics. Over the past 30 years, the number of households has increased by 30 per cent., but in the same period the number of new homes built has fallen by 50 per cent. That has widened the gap between demand and supply, so there is little wonder that the long-term house price trend is so much higher in this country than in others. That, of course, is set out in the Barker report, which is extremely important for the Government and for the country.

On the supply side, we have, as is known, a strong strategy to increase housing supply, which is set out in the communities plan. Much public comment has been made on that plan delivering results in London and the south-east. I should put it on the record that there was a 36 per cent. increase in the number of new homes being built per year between 2001 and 2005, combined with increased densities in house building—it is important that that is achieved—and a significant increase in re-use of brownfield sites. There are those who say that the policy is to build over England's green and pleasant land, but that is a cliché that perhaps makes for an easy headline and it is not borne out by the facts. The hon. Member for Westmorland and Lonsdale has not accused us of doing that, although others have.

This policy is addressing one cause of the affordability problem, which is that, over several decades, we simply have not built enough new homes. The underlying reasons for the increasing number of households are well known and they include more single people and longevity. Let me again put it on the record that Government policy is in favour of longevity. This is a good thing, not a bad thing, but it presents us with some difficulties.

On the other side, however, a range of measures are necessary in addition to a stable market and increasing supply. Since 1997, we have doubled the investment in affordable housing for rent or purchase, and £5 billion will have been spent over the three years to 2006. That investment will support the delivery of our new range of simpler, more affordable, more accessible home ownership schemes.

In the short term, through our new homebuy scheme, we will help more than 100,000 households—that is a lot of people, not just 100,000 of the population—to own their own home by 2010. Homebuy will provide a flexible shared equity-based product, which will increase access to home ownership for those priced out of the market. It will also provide opportunities for social tenants to buy a share in their home. Homebuy will reinforce the longer-term strategy by increasing home ownership opportunities for key workers and other first-time buyers now.

Empty homes are also a factor in contributing to an adequate supply. Over the last decade, the number of vacant dwellings has dropped by nearly 180,000, but there are still 690,000, according to the latest figures, which are from 2004. There remains more to be done, which is why we have recently provided local authorities with a new weapon in their armoury—empty dwelling management orders. I would encourage all hon. Members to pay attention to this bit, because their advice surgeries will be full of complainants, such as landlords who have been abusing their position, who want their help.

Empty dwelling management orders support the efforts of local councils to get empty dwellings back into use. There are also tax incentives to support the use of space above shops, the conversion of properties and the renovation of properties that have been empty for three or more years. I hope that there is support for the orders across the House, although it impossible to say whether the official Opposition support them. They have probably gone to their second homes, and I hope they are paying 90 per cent. council tax on them.

Many initiatives focus on the urban areas where key workers and first-time buyers have found it difficult to find affordable housing, but rural areas have not been, and will not be, overlooked. Current schemes are designed to be flexible enough to respond to the needs of rural communities as well as urban ones. Second homes, for example, are often of particular concern. We have heard the stark statistics—I pay tribute to the hon. Gentleman for putting them on the record—and other rural areas face similar problems.

Since last April, councils have had the option to reduce the 50 per cent. council tax discount on second homes to a minimum of 10 per cent. We understand that many authorities have chosen to do so—we are not saying that councils must do so, but they have that choice, depending on their local circumstances. I wish that some of the newspapers that, under the Freedom of Information Act 2000 introduced by the Government, report the allowances of Members of Parliament, would point out that those of us who have second homes in fact voted to increase our own taxes quite substantially—I am not sure whether all Members realised what they were doing at the time. It is perhaps not a flippant point, Madam Deputy Speaker, and I have wanted to put it on the record for over a year now. I thank you for allowing me a wide berth on that.

To return to the debate, the Rural Affordable Housing Commission, established jointly by the Deputy Prime Minister and the Secretary of State for Environment, Food and Rural Affairs, is now examining issues, problems and solutions across the country in rural areas, and will make recommendations based on good practice. Elinor Goodman, chair of the

commission, was at a well-attended seminar in Keswick last week as part of the Commission for Rural Communities' housing inquiry. The hon. Member for Workington (Tony Cunningham), whose constituency is affected by this debate—and who, I am delighted to see, is in his place—says that he was delighted to see that, and I welcome his support.

The hon. Gentleman made a point about self-invested personal pensions, on which there were a couple of interventions. I believe that there is a deep misunderstanding on this matter. He referred to an "unintended consequence" of my right hon. Friend the Chancellor's policy. I must tell the House that very little, if anything, that my right hon. Friend the Chancellor does is unintended or not thought through. There are limiting factors in relation to SIPPs. We do not believe that the transfer of a pension fund into property will have the negative impact to which he refers. People who go for SIPPS and see property as a form of investment are a tiny minority. Under the scheme, one does not buy a second home as part of one's pension and use that second home as a holiday home or whatever; the property is owned by the pension fund, and any call on that property is paid out of the pension fund.

Of course, the hon. Gentleman will raise the question of enforcement, which is an important point, but we do not believe that the concept of SIPPs will lead to the sort of consequences that he and the hon. Member for Inverness, Nairn, Badenoch and Strathspey (Danny Alexander) fear. Responsible financial advisers and other commentators are making it clear that SIPPs is likely to be an attractive option only for a minority and will not produce substantial changes in behaviour.

Let me turn to the meat of the debate. Clearly, Cumbria is one of the most beautiful parts of our country—it is not the most beautiful constituency, but it might be the second most beautiful—*[Interruption.]* Perhaps it is the third most beautiful. I shall not start a bidding war.

It is clear that unique challenges are involved in trying to provide affordable homes for local people in the Cumbria area. Owing to the attractiveness and quality of life on offer in the Lake district and surrounding areas, demand for housing is extremely high, much of it coming from outside the immediate area. The link between local income levels and the cost of housing has been broken, and for many years local people have struggled to find a place on the property ladder.

The Government have been concerned for some time about the position in Cumbria and are committed to doing what they can to help. My right hon. Friend the Deputy Prime Minister has taken a personal interest in the matter, and has met local stakeholders twice to listen to their concerns and recommend new approaches to tackling the issue. That reflects his long-standing personal commitment to the Lake district and its surroundings.

Since those meetings, the Government office for the north-west and the Audit Commission have been working closely with local authorities and registered social landlords in Cumbria to promote a more strategic approach to affordable housing provision. As a result, a group of the county's local authorities known as the Cumbria strategic housing group have succeeded in attracting an additional £4 million from the North West Regional Housing Board for 2005–06 specifically for the provision of new homes in the area. That reflects the high priority that the board gives affordable housing provision in the new regional housing strategy, and is in addition to the mainstream Housing Corporation investment of over £20 million for new affordable housing in Cumbria in 2004–06.

No one is suggesting that local partners have been inactive. For example, South Lakeland district council has dedicated its increased council tax receipts from second home owners—a consequence of the change on which the hon. Gentleman was gracious enough to congratulate the Government—to the provision of affordable housing. As a result, the council expects to invest around £950,000 this year in a variety of schemes, including funding for the improvement of properties and their conversion to affordable housing for rent.

However, although finance is clearly important, this is not simply an issue of public funding. The new planning policy statement 3 on housing, due to be published for consultation shortly, will strengthen our ability to provide affordable housing through the planning system. That is a postcard that the hon. Gentleman can take home with him. Officials at the Government office for the north-west have been working with Cumbrian local planning authorities, encouraging them to make the maximum use of existing planning powers to secure affordable housing.

The forthcoming joint structure plan for Cumbria and the Lake district proposes a new policy requiring 50 per cent. of new homes built outside the national park area to be affordable, and 100 per cent. of new homes built inside the national park to be secured in perpetuity either for occupation by local people or as social housing. The structure plan also proposes to introduce the concept of allocating sites specifically for social housing in the national park. This is the first time that that approach has been adopted in Cumbria. It extends the existing "rural exception sites" approach, which is a familiar route for the provision of new affordable housing. The revised structure plan is due to be adopted in January 2006.

We should not focus entirely on new housing. The Government's commitment to providing decent homes by tackling the huge backlog of under-investment in our housing stock is also having a significant impact in Cumbria. Additional public sector investment of £21 million has been supplemented by a further £85 million of private sector investment. That has helped to ensure that by 2010 Cumbria's social rented housing will meet the decent homes standard.

I hope that the hon. Gentleman, the hon. Member for Workington and other Cumbria Members with a direct interest will welcome the joint structure plan.

The hon. Gentleman asked whether we could find ways to change planning law and to provide a cap. As I said, the new policy consultation will propose some changes. I am not sure that his scheme is workable, but I invite him to respond to the document.

The Government and the regional housing board are only too aware of the need to continue our push to provide affordable housing in Cumbria. We need to maintain sustainable, balanced, mixed communities where people on lower incomes—especially the young and the old—can access local housing at reasonable

[Mr. Phil Woolas]

cost. The longer-term impact on local services and the rural economy will be severe if people on even average incomes are no longer able to afford to live and work in those communities. We are committed to a varied set of actions to address what is undoubtedly a complex issue. With the help of local partners, the regional housing board, the Housing Corporation, local planning authorities and others, I am confident that we can continue to deliver real progress for the people of Cumbria.

Question put and agreed to.

Adjourned accordingly at eleven minutes past Three o'clock.

House of Commons

Friday 28 October 2005

The House met at half-past Nine o'clock

PRAYERS

The Chairman of Ways and Means took the Chair as Deputy Speaker, pursuant to the Standing Order.

[SIR ALAN HASELHURST *in the Chair*]

PETITIONS

Council Tax

9.33 pm

Mr. Tim Boswell (Daventry) (Con): I have the honour to present to the House a petition on behalf of the IsItFair campaign that has been signed by more than 200 of my constituents, including Rev. Alfred Ridley.

The petitions states:

The Petitioners therefore request that the House of Commons votes to replace Council Tax with a fair and equitable tax that, without recourse to any supplementary benefit, takes into account ability to pay from disposable income, such tax to be based on a system that is free from any geographically or politically motivated discrimination, and that clearly identifies the fiscal and managerial responsibilities of all involved parties.

The Petitioners remain loyal members of the United Kingdom.

To lie upon the Table.

9.34 am

Mr. Brian Binley (Northampton, South) (Con): Like my hon. Friend the Member for Daventry (Mr. Boswell), my colleague in a neighbouring constituency, I, too, would like to present a petition on behalf of the IsItFair campaign:

The Petitioners therefore request that the House of Commons votes to replace Council Tax with a fair and equitable tax that, without recourse to any supplementary benefit, takes into account ability to pay from disposable income, such tax to be based on a system that is free from any geographically or politically motivated discrimination, and that clearly identifies the fiscal and managerial responsibilities of all involved parties.

To lie upon the Table.

9.35 am

Mr. Eric Forth (Bromley and Chislehurst) (Con): On a point of order, Mr. Deputy Speaker. I beg to move, That the House sit in private.

Question put forthwith, pursuant to Standing Order No. 163 (Motions to sit in private):—

The House divided: Ayes 2, Noes 55.

Division No. 72] **[9.35 am**

AYES

Evans, Mr. Nigel
Forth, rh Mr. Eric

Tellers for the Ayes:
Mr. Philip Hollobone and David T.C. Davies

NOES

Alexander, rh Mr. Douglas
Anderson, Mr. David
Atkinson, Mr. Peter
Baird, Vera
Baldry, Tony
Binley, Mr. Brian
Bone, Mr. Peter
Boswell, Mr. Tim
Brennan, Kevin
Brooke, Annette
Brown, Lyn
Butterfill, Sir John
Cawsey, Mr. Ian
Clark, Greg
Clifton-Brown, Mr. Geoffrey
Creagh, Mary
Davies, Philip
Dismore, Mr. Andrew
Ellwood, Mr. Tobias
Francois, Mr. Mark
Goodman, Mr. Paul
Goodwill, Mr. Robert
Greenway, Mr. John
Griffith, Nia
Gwynne, Andrew
Harper, Mr. Mark
Heathcoat-Amory, rh Mr. David
Heppell, Mr. John
Hoban, Mr. Mark
Hurd, Mr. Nick
Johnson, Ms Diana R.
Keeley, Barbara
Laws, Mr. David
Maclean, rh David
Maples, Mr. John
McCarthy-Fry, Sarah
McFadden, Mr. Pat
McIntosh, Miss Anne
Moffatt, Laura
Morden, Jessica
Munn, Meg
Prisk, Mr. Mark
Randall, Mr. John
Rifkind, rh Sir Malcolm
Skinner, Mr. Dennis
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Snelgrove, Anne
Taylor, Ms Dari
Timms, Mr. Stephen
Vaizey, Mr. Edward
Walter, Mr. Robert
Waltho, Lynda
Waterson, Mr. Nigel
Williams, Mark
Winterton, Ms Rosie

Tellers for the Noes:
Justine Greening and John Penrose

Question accordingly negatived.

Orders of the Day

Rights of Savers Bill

Order for Second Reading read.

9.46 am

Sir Malcolm Rifkind (Kensington and Chelsea) (Con): I beg to move, That the Bill be now read a Second time.

I am grateful to the House for the fact that the outside world will be given the opportunity to hear this important debate. It is a great privilege to have the opportunity to introduce the Bill. This is a somewhat unusual experience for me, in two respects. It is the first time since I first became a Member of the House a long time ago that I have been involved in promoting a private Member's Bill, and I must confess that it is the first time since 1979 that I have spoken from the Back Benches. That creates two problems for me: not only do I have no real knowledge of what the Minister might say in response to my Bill, but I am not even entirely certain what the shadow Minister, my hon. Friend the Member for Eastbourne (Mr. Waterson), is likely to say. I am at least heartened by the fact that his name appears as a sponsor of the Bill, so his broad sympathy is more likely than not.

I am delighted that the right hon. Member for Birkenhead (Mr. Field), who is the world's greatest expert on savings and pensions matters, has expresaly said to me that he would like to be associated with the Bill. I am therefore particularly pleased that it will have bipartisan support. I hope that that will have the necessary psychological and political impact on the Minister and on the Government.

Before I turn to the details of the Bill, let us consider the wider context. We are all aware of the crisis in pensions—the problems for defined-benefit pension schemes, many pensioners falling into serious poverty and so forth—but linked to it and equally important has been the crisis in savings. It is primarily the savings side that my remarks will address, but the two are intimately linked. It is almost impossible to exaggerate the seriousness of what has happened, particularly in the United Kingdom, as regards the habit of saving.

Back in 1997, an average of something like 9 or 10 per cent. of household income was saved each year. That was a very good ratio. The figure has since fallen to about 5.5 per cent.—almost half of what it was. Before anyone suggests that it is a worldwide phenomenon because of what has happened with investments, equities and so on, I should point out that the international comparisons are not particularly attractive from the United Kingdom's point of view. Our savings ratio is down to 5.5 per cent; in Italy it is 9.5 per cent., in Japan 9.6 per cent., in Germany 9.6 per cent., in France 11.1 per cent. and in Canada 13.6 per cent. We have a particular problem in the United Kingdom, and, although the Government are entitled to say that the crisis in both savings and pensions is partially due to demographic and other reasons beyond their control, they cannot avoid all responsibility.

The Institute of Chartered Accountants has said that the single most important factor that has destroyed confidence in savings was the Chancellor's decision at the very beginning of this Government's tenure to withdraw tax relief on pension fund dividends, which not only hurt the pension funds, but sent a signal to the wider saving public that it was no longer as attractive, agreeable or important to indulge in saving.

The Adair Turner report on pensions and savings will come out in November, and before I discuss the details of the Bill, it is important to address one of the central issues that is already part of the wider public debate. The Turner report has been asked to consider the option of compulsion. Given that the public have chosen to stop saving to some significant extent, the Government appear willing to contemplate compelling them to do so.

A move towards compulsion is not only unjustified but would remove the possibility of a national consensus on the way forward on savings. Compelling people to save raises an issue of principle. The Turner committee has been asked to examine what people do with their post-tax income to influence their level of comfort in retirement, and the state cannot make that decision on people's behalf. It would be wrong in principle for the state to take powers to compel people to save to a degree that they would not otherwise choose, because that would imply that the state's priorities are far more important than those of millions of families up and down the country, who must decide their relative priorities throughout their working lives. The first objection is one of principle.

The second objection is that compulsion would be another form of taxation. Digby Jones of the CBI has said that compulsion would be another stealth tax, and he is right. Like national insurance, compulsory saving would not include a choice, so it would be taxation by another name.

The third objection is that compulsory saving would sometimes compel people to act against their economic interests, because there are circumstances in which it is extremely foolish to save. For example, if one takes out a very small occupational pension scheme, one loses one's entitlement to pension credit. What is the point of making that change if one's net standard of living is not improved as a consequence? Compulsory saving would compel some people to act against their own fundamental interest.

Mr. John Greenway (Ryedale) (Con): My right hon. and learned Friend is making an excellent speech without notes.

Sir Malcolm Rifkind: So far.

Mr. Greenway: My right hon. and learned Friend's point about pension credit is one of the reasons why saving has reduced. Means-tested benefits are undermining the reason why people will save, which we, as a party, must address as well as the Government, because when we are in office we must alter that situation.

Sir Malcolm Rifkind: My hon. Friend is right. When the Government took office, they said that one of their objectives was to reduce means-testing. Thanks to the benevolent supervision of the Chancellor, however, means-testing has increased dramatically in all areas in the past eight years. That is a huge problem, and the

Pensions Commission under Adair Turner has already said that on current form it will lead to more than half the population being on means-tested benefits in not too many years.

Vera Baird (Redcar) (Lab): The right hon. and learned Gentleman knows that pension credit has brought more than 1 million people, three quarters of whom are women, out of the poverty in which the previous Conservative Government left them. Will he set out how his proposals will advantage women?

Sir Malcolm Rifkind: The position of women is of huge importance. I wanted to include such a provision, but the powers that be would not permit it, because it would have contradicted the long title of the Bill. The hon. and learned Lady is right that women's entitlement to pensions will be a crucial consideration when Adair Turner reports and the Government decide their policy, because that blot must be addressed.

I was dealing with the principled objections to compulsion, and the fourth one is that it does not work. The one country that has tried it, Australia, introduced it about 10 years ago through a collective bargaining deal between the Government and the trade unions, whereby in exchange for restraint on pay claims, employers were required to make further contributions to pension funds. Over the past 10 years, the single biggest consequence of the change in Australia has been the diversion of savings held in other products into the compulsory scheme. Overall, Australia has the same problems as other countries.

Sir John Butterfill (Bournemouth, West) (Con): I am sure that my right hon. and learned Friend would not intentionally mislead the House, but Australia is by no means the only country that has introduced compulsion. Compulsion was first introduced in Singapore, where the scheme encountered problems because the money in the pooled pot was lent to commercial interests, sometimes with undesirable consequences. To name but two others, Chile and Argentina have successfully introduced such schemes.

Sir Malcolm Rifkind: I have deliberately tried to compare the United Kingdom with countries that have comparable economies, and the Australian experience is especially relevant to our situation.

Two further points are important. First, some may point out that our system already contains an element of compulsion, because we have no choice but to make national insurance contributions. I have no objection to people being compelled to make savings when the alternative to their making such contributions is falling into poverty and therefore depending on benefits paid for by other taxpayers. It is entirely reasonable to compel people to provide for themselves through contributions such as national insurance that are designed to prevent them from falling into poverty, because otherwise other taxpayers have to perform that function. The current debate is not about using compulsion to avoid poverty; it is about allowing people to have a higher standard of living in their retirement than they would otherwise enjoy, which is where compulsion cannot be justified.

Secondly, it is sometimes suggested that the alternative to compulsion is laissez-faire—sitting back and hoping that things will improve—but that is not true. The alternative to compulsion is incentive, which can come from the state in two forms. It can come in the form of fiscal incentives, which I cannot cover because tax matters may only be dealt with by the Government of the day, and not by a private Member's Bill. My Bill concentrates on the second option, which is making structural improvements to the system in order to make saving more attractive, and there is a range of ways in which that can be done.

Savings and pensions issues are incredibly complex, so I hope that the House will forgive me if I go into detail.

Vera Baird: Before the right hon. and learned Gentleman turns to the detail of the Bill, may I return to my earlier point? He was cruelly deprived of the opportunity to include provisions to help women in the Bill. Will he take a minute to set out what they were going to be?

Sir Malcolm Rifkind: I can tell the hon. and learned Lady only that I hoped to be able to make some improvements on protection for carers, because the way in which those rules apply is unduly restrictive. I personally take the view that the whole position of women, as of other carers, can be best improved by a more generous provision with regard to national insurance contributions as part of their overall pension entitlements. It is a very complex issue. I hope that the hon. and learned Lady will allow me to move on to what is in the Bill rather than what I should have liked to include had the rules permitted it.

The Bill covers four main areas. Part 1 provides for a major new savings scheme designed to offer the simplicity and flexibility of individual savings accounts but with the security normally available to pension products.

Part 2 is based on a successful Canadian initiative. It would expand the current options on retirement and permit an end to the compulsion that has existed for many years to purchase annuities from a retirement fund. It would also remove the unfair prohibition on return of unused capital from an annuity on death after the age of 75.

The final part of the Bill aims to address the worrying trend of pension proliferation whereby many savers have large numbers of often small private pensions caused by changes of circumstances such as new jobs.

Justine Greening (Putney) (Con): Does my right hon. and learned Friend agree that, given that the average life expectancy of a woman is now well over 75, changing the age limit of 75 in respect of the flexibility of annuities would help women even more than it would help men?

Sir Malcolm Rifkind: My hon. Friend is correct. The age of 75 is an arbitrary age that was introduced by the then Government a good number of years ago. It has less and less relevance, and, as my hon. Friend says, women would benefit more than men if that arbitrariness could be removed from the system.

[Sir Malcolm Rifkind]

At this stage, I remind the House that I have an indirect interest as non-executive director of an asset management company.

I now turn in detail to part 1. Savings in this country are in crisis. We are increasingly a nation of consumers, not savers, and it is clear that the products that are currently available, successful though some have been, are failing fully to address the problem. It is now widely accepted that stakeholder pensions have failed in their attempt to stimulate long-term saving at the bottom end of the market. Utilisation is low and sales figures are actually falling. The supply side has also suffered due to a paucity of providers willing to promote these low-margin products. Indeed, the TUC said in a report published last year that stakeholder schemes are not helping low-income workers; instead, they are largely being used as a source of tax relief on savings by the better off instead of by the lower and middle-income earners whom they were originally designed to target.

At the time of the introduction of stakeholder pensions, it was estimated that approximately 5 million people earning between £10,000 and £20,000 per annum were not in an occupational pension scheme. The Association of British Insurers has suggested that although there are about 1.5 million stakeholder members, much of the money now in stakeholders has merely been transferred from other pension arrangements. Stakeholders are not doing much to stimulate additional pension savings; they are merely displacing other pension vehicles.

By contrast, sales of individual savings accounts have fared incredibly well. According to the PEP and ISA Managers Association—PIMA—more than £170 billion is invested in ISAs compared with £79 billion only five years ago. They have proved to be a useful savings vehicle for those on lower to middle incomes, but these products, although allowing greater flexibility in drawdown facilities, do not have the opportunity or ability to function effectively as a vehicle for retirement. We desperately need to combine the flexibility of ISAs with the security required for a pension product, which should be particularly directed towards the lower and middle-income earners who are not benefiting from stakeholder pensions.

That is the crucial objective of part 1. We need to target the people whom the Government have failed to attract with their own savings scheme, stakeholder pensions. I propose a savings and retirement account, otherwise known as a SaRA—I have unfortunately had to conclude that all these things need acronyms. The product would be based on the already proven ISA model while operating under pension tax rules and regulations and regulated by the pensions regulator. It would combine the management ease of the ISA with the tax advantages of pensions, thereby simplifying and promoting investment while enabling longer-term financial planning.

Mr. David Laws (Yeovil) (LD): I appreciate that there is a restricted amount that the right hon. and learned Gentleman can put into the Bill about tax relief, but will he confirm that he proposes that it should be given up front on this product?

Sir Malcolm Rifkind: As the hon. Gentleman will be aware, the question of tax relief is not for a private Member to come to a view on. I am simply assuming that all the tax relief that is available for existing pension products would be available for anything proposed in the Bill. It is of course for the Government to work on the details of that; it is not within my competence.

The concept of a savings and retirement account has been consistently promoted by PIMA, with considerable interest from its members. Such an account would be a container for retail funds—a wrapper, in other words—which, it is hoped, could be sold by any company regulated by the Financial Services Authority, not just by life offices, banks or building societies, as in the case of stakeholders at present. Within that container, consumers would be able to choose from a variety of investments, each tailored to their individual risk-tolerance, which are specifically designed to generate income for retirement. Crucially, the opportunity to provide a SaRA pension would be open to all financial services firms authorised to manage investment schemes by the FSA rather than the limited numbers of life offices and others that currently offer pensions.

SaRAs would also have several important advantages compared with existing pensions and savings products. The first would be that of lower cost. Unlike many traditional pension products, a SaRA would have no requirement for trustees, although the option would be available, meaning that administration would be carried out more cheaply by the provider in-house. At present, stakeholder providers may charge only up to 1.5 per cent. of the pension value in administrative charges. The cost of providing a SaRA, and hence the charges that consumers would face, would be the same or very likely lower. Since more providers would be able to offer the product, competition in the market would increase and costs would be cut even further. Those lower costs, combined with more active promotion by providers than for stakeholder pensions and the simplicity of the product, would greatly encourage saving among lower and middle income earners.

The second major advantage of a SaRA would be its portability. At present, consolidating one's existing pension investments is complicated and costly. Once a SaRA had been set up, not only would employees be able to consolidate their pension and saving arrangements into a single pot—

Lyn Brown (West Ham) (Lab): Given that the right hon. and learned Gentleman has referred to costs, has he calculated the bureaucratic cost of administering these schemes? In particular, if this is not about creating a

vehicle to avoid inheritance tax, what extra provision would the Inland Revenue require to manage the calculations involved?

Sir Malcolm Rifkind: If the hon. Lady will forgive me, I suspect that not only did she not write that question, but that the person who did does not understand the Bill either. *[Laughter.]*

Lyn Brown *rose—*

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. Is the hon. Lady rising on a point of order or trying to intervene?

Lyn Brown: I think that I am trying to intervene, Mr. Deputy Speaker. May I say that I am quite offended by the right hon. and learned Gentleman's remark? I do not know how much Conservative Members have in the way of resources to assist with research, but we certainly have to do our own.

Sir Malcolm Rifkind *rose—*

Mr. Deputy Speaker: Order. I understood the hon. Lady to be making a point of order. It was not a point of order for the Chair, as I hope she will realise. What she will also no doubt realise over time is that we spend most of our lives in this place being offended.

Peter Bottomley (Worthing, West) (Con): On a point of order, Mr. Deputy Speaker. If the hon. Lady was not given a Whips' handout, should not she ask for one?

Mr. Deputy Speaker: I think that we might end this particular point here.

Sir Malcolm Rifkind: I simply say to the hon. Member for West Ham (Lyn Brown) that whether or not there may be objections to a savings and retirement account, the question of inheritance tax is not remotely relevant to the Bill— certainly not to this part of it—and anyone who studies it will unavoidably come to that conclusion.

On portability, people would be able to ask their employer to make contributions into the same scheme. They would, furthermore, be able to transfer their SaRAs between employers. Each person would have one for their whole life so that it went with them through all changes of circumstances and income. Investments could be from personal resources, consolidation of funds, or pension contributions from multiple jobs—or even a combination of those.

Greg Clark (Tunbridge Wells) (Con): Will my right hon. and learned Friend explain in a little more detail the advantages of the consolidation of different pension pots? Are there not advantages in having a degree of spread between different providers, especially in the light of the events involving Equitable Life? Rather than putting all one's eggs in one basket, would not having a broad exposure convey greater advantages?

Sir Malcolm Rifkind: I can easily respond to my hon. Friend on that point: the SaRA will enable that to happen. As I mentioned earlier, it is a wrapper in which people will be able to have different kinds of investment in order to minimise risk and to broaden the nature of their investment in the way that my hon. Friend recommends. At the moment, many people who move employment two or three times during their working lives have several pension pots, each of which is very small. Each has to be separately administered, and has costs associated with that administration, so the individual concerned often does not know what their pension entitlement is, and pays a significant sum towards administration. Although they are legally able to consolidate the different schemes, the cost of doing so is substantial.

The effect of that has been damaging, and has resulted in many pension funds not being contributed to, because the arrangements involved are too complicated. The national interest is suffering as a consequence. The protection to which my hon. Friend referred will be provided by the wrapper nature of a SaRA, within which people will be able to have different kinds of investments—in the form of equities, bonds or anything else that comes to mind—without the disadvantages that I have mentioned.

Sir John Butterfill: My right hon. and learned Friend is putting a fascinating proposal before the House. However, it is not entirely clear to me how the consolidation process will take place. Is he suggesting that a pot of money will be transferred from each individual employer into the SaRA, and no longer administered by that original employer? Would not that result in the problem that always arises in these cases, namely, that the scheme actuary for the employer would value the pension pot very severely, resulting in some loss to the employee?

Sir Malcolm Rifkind: I do not think that that would be the case, although I should be happy to have that point looked into. This provision and a later one in the Bill seek to ensure that an employee will be able to require an employer to pay the contributions into the pension product of the employee's choice. At the moment, that arrangement is available if someone is moving from one stakeholder pension to another, but the current legislation does not require contributions to be paid into a personal pension. I want to remove all such restrictions in order to give maximum flexibility, because such flexibility will make people more inclined to save in the first place.

The Minister for Pensions Reform (Mr. Stephen Timms): I am listening to the right hon. and learned Gentleman's argument with great interest, and I agree with him about the benefits of being able to pool different pension pots into one place. I am not clear, however, about how his proposals will help in that respect. It is already possible to transfer between stakeholder pensions without payment. It sounds as though the right hon. Gentleman is proposing an arrangement that would impose quite a high cost on employers if they were required to contribute to any scheme that their employees wished them to, rather than to one scheme, as is currently the case under the stakeholder pension regulations.

Sir Malcolm Rifkind: I hear what the Minister is saying, but I do not think that there will be a significant

[Sir Malcolm Rifkind]

cost implication. With the benefits of modern information technology, employers are already able to pay salaries and wages into whichever account an employee finds preferable. That involves a relatively straightforward system, and millions of people benefit from that flexibility now. As the Minister said, his own legislation requires an employer to pay into a new stakeholder product. It cannot be more difficult administratively to pay into a personal pension instead. So the issue has already been conceded by the Government, and I do not see that there will be a problem in that regard.

Peter Bottomley: The Minister raised a serious point, and I think that the answer that he received was pretty convincing. If he needs any extra convincing, I should like to point out that the Government do not seem to find it difficult to ask employers, or themselves, to distribute money to the Student Loans Company, the Child Support Agency and various other bodies. The Government ought to look at these issues in the round, rather than simply picking up on something rather sensible that has been proposed by a member of the Opposition.

Mr. Timms *rose—*

Sir Malcolm Rifkind: I shall be happy to facilitate an exchange between my hon. Friend the Member for Worthing, West (Peter Bottomley) and the Minister.

Mr. Timms: I was the Minister responsible for taking through the legislation on stakeholder pensions, and we were careful to ensure that the obligation on employers was only to pay into one designated scheme. If the right hon. and learned Member for Kensington and Chelsea (Sir Malcolm Rifkind) were to discuss this matter with small business organisations, for example, he would find considerable concern about the additional burden that he is proposing.

Sir Malcolm Rifkind: I accept that the Minister was extremely cautious when putting forward his original proposals. Perhaps, however, he might learn from his right hon. Friend the Prime Minister, who has said that he always regretted not being more radical in his approach to reform. In this respect, the Prime Minister speaks good sense, and the Minister might like to follow him.

Ms Dari Taylor (Stockton, South) (Lab): This is an important part of the right hon. and learned Gentleman's proposals, and I wonder whether he has spoken to the Federation of Small Businesses about it. I have spoken to its representatives in the northern region, and they knew nothing about this new pension scheme. They were quite concerned to see the details, and not awfully happy to discover that they might find themselves involved in a scheme that they knew nothing about. Perhaps the right hon. and learned Gentleman has spoken to the association's national representatives.

Sir Malcolm Rifkind: The Bill was published only on Tuesday morning, so I am not entirely surprised that the association has not yet familiarised itself with the details of such a complex matter. However, in regard to businesses large and small, the Government have already introduced a requirement for any business with more than five employees to provide for stakeholder pensions. My Bill simply proposes that, as an alternative to stakeholder pensions, people may choose a savings and retirement account. That is no more complex a proposition. Of course, I shall be happy to hear views and comments on these matters, but most responsible employers are keen to develop pensions and savings arrangements in a satisfactory way. Stakeholder pensions simply have not worked; they have imposed a burden on those companies without the employees using the facility. We need to be a bit more imaginative in addressing these issues.

Mr. Greenway: Would not an individual have a choice whether to transfer part of any other pension scheme into the SaRA wrapper? They would have to make that choice based on whatever capital transfer value was being offered by a pension scheme, and on the benefits that they would surrender if they were to make that transfer. It would be a matter of individual choice. This illustrates the point about flexibility to which my right hon. and learned Friend has referred.

Sir Malcolm Rifkind: That is entirely correct. Indeed, people would even be able to transfer a stakeholder pension into the wrapper of the SaRA, if that was what they preferred. The objective will be to simplify the situation so that all their pension entitlement is in one wrapper, which they can understand and get information on easily, cheaply and to their own benefit.

The third advantage of a SaRA is choice. Offering a SaRA to employees will become another option available to employers when drawing up their retirement benefits plans. But equally important will be the greater choice available to consumers. Traditional pension plans tend to consist of a relatively limited set of lower-risk investment options, and the market is dominated by a small number of life offices. A SaRA, by contrast, will offer a full range of investment choices from a far wider set of providers, ranging from stockbrokers to asset managers to fund supermarkets. This will cater for consumers who may wish to benefit from a potentially higher rate of return from higher-risk products, while allowing more risk-averse consumers to continue to concentrate investments in lower-risk instruments.

The fourth crucial advantage is transparency. The wrapper structure of a SaRA will enable the investment to be treated independently from the administration, meaning that customers will have a much clearer view of the value and performance of their investment, thereby stimulating providers to provide better value, more competitive products. It will be possible for consumers to obtain a complete picture of the overall performance of their funds at any time, using a variety of servicing channels. Buying a wrapper separately from the investment will also mean that the initial decision to purchase is more straightforward and requires less advice, thus potentially attracting customers who have previously been deterred by the complexity of pensions products.

Perhaps the most innovative part of the SaRA scheme—a part which is not provided for by any other long-term pension savings vehicle—is that a proportion of capital can be taken out at specific times of need. This will give us a savings scheme designed to encourage long-term saving but with the flexibility to withdraw some savings. This is of particular relevance to younger people who wish to save for the future while remaining cautious of the possible need to be prepared for a change in circumstances during their working lives.

Several hon. Members *rose—*

Sir Malcolm Rifkind: I will give way in a moment.

Many people nowadays are aware of the need to save for their future and recognise the need for early saving towards a pension, but they also often hope to be in a position to purchase a home or envisage taking a career break to pursue further education. That is often the main reason for people refusing to lock away their money until retirement. Few 20-year-olds know what major financial need they might have or what lifetime event might occur in the next 40 years.

This proposal is not just some theory, as it draws on the experience of the Canadian home buyers plan and lifelong learning plan. Under the Canadian scheme, 1.3 million individuals have made withdrawals for home purchase since 1992. Indeed, 123,000 individuals took withdrawals in 2002 alone.

The Canadian scheme allows withdrawals from a registered retirement savings plan for both home purchase and lifelong learning through education or training. The SaRA account could eventually include parents providing assistance to a child for first-time home purchase, but I emphasise that it would not cover children's school fees.

Young people today are struggling to get on the housing ladder, which has prevented them from thinking seriously about saving for retirement. A limited draw-down facility within a retirement savings account should help to address that problem while encouraging saving for retirement. Tax relief would be set, I assume, at marginal rates, as for other pensions, but any money withdrawn from the account could not include any tax relief from the state and would thus be restricted to 60 per cent. of the fund.

The scheme would allow for withdrawals to be replaced before retirement. However, if that had not proved possible, the state could claw back the tax relief from the retained funds. In any case, the fund would not be required to be repaid until four years after draw-down to allow for education draw-down where there was no income available to fund any replacement of capital.

Several hon. Members *rose—*

Sir Malcolm Rifkind: I must finish this section and then give way first to my hon. Friend the Member for Wantage (Mr. Vaizey).

The current specified maximum to be taken out is £40,000. A maximum has been set so that withdrawals would not be encouraged, but would be permitted. The level is designed to ensure that it would cover the deposit for the vast majority of first-time buyers and other individuals. The figure has been chosen because the most expensive area, London, has an average first-time buyer's deposit of some £31,100.

Mr. Edward Vaizey (Wantage) (Con): My right hon. and learned Friend's proposal builds on the work of the pensions expert Martin Campbell, who came up with the LISA—the lifelong investment savings account. Now we have the SaRA. Does my right hon. and learned Friend agree that a one-stop shop product is essential and that the requirement for a product that adapts to what people need in the 21st century, giving them flexibility, is overwhelming? That is what this would do. Will he comment specifically on whether a child trust fund could be rolled into a SaRA when one reached 18?

Sir Malcolm Rifkind: Yes, I do not see why that should not be possible, and I hope it would indeed be available. I agree with my hon. Friend's broader point: we are all on a learning curve. Conservative Members and, I freely accept, the Government are trying to find ways to re-establish the savings habit, which has declined dramatically. The stakeholder has not proved successful, for reasons which with we are all familiar. The TUC, if not the Government, has acknowledged that. This proposal tries to build on the success of individual savings accounts and to learn the proper lessons from that.

Mr. Laws: I am grateful to the right hon. and learned Gentleman for giving way again. Given that his priority is flexibility for people in relation to their savings, how did he decide on the conditions set down in clause 5(6), which would determine the basis on which people could draw down amounts before pension age? Why did he decide on those particular items, rather than giving even greater flexibility?

Sir Malcolm Rifkind: The reason is quite straightforward: the primary purpose of the SaRA is to encourage long-term saving, not people withdrawing at an earlier stage. However, we recognise that many people, especially younger people, do not want to go for savings that will be locked in—for 40 years, in some cases.

Telling those people that they could use the funds they are saving now only when they retire at 65 or whatever age means that they simply would not save in that way. Therefore we acknowledge, as the Canadian scheme does, that many people—especially those in their 20s and 30s—would be willing to put their savings in a retirement product if they knew that, perhaps only temporarily, they could withdraw some of their savings to contribute to the deposit on a house or something of that kind.

The system would be properly controlled and could not be exploited because there would be no tax relief available, and therefore no benefit, for those who withdrew funds permanently. The scheme would be limited to house purchase or lifelong learning, which we believe is the proper approach, although it could be expanded, if that was what the House wished. That is an important point.

Mr. Geoffrey Clifton-Brown (Cotswold) (Con): On the subject of controls, nothing does long-term pension

[Mr. Geoffrey Clifton-Brown]

schemes of whatever sort—my right hon. and learned Friend is proposing an excellent one this morning—more harm than the thought that they might end up in the liquidation courts. His scheme would not require any trustees. Will he say something about the control and regulation of his scheme and ensuring that it became a viable long-term product?

Sir Malcolm Rifkind: Even stakeholders do not require trustees. Indeed, such stakeholder products as have been taken up are done in the main on contract rather than through the trustee system. The option is there, and it would be for people to decide which was more important to them, although the pensions regulator and the Financial Services Authority would be involved. There would be the normal safeguards that are available both on the investment side and on the pensions side. That is important, because I fully recognise that a pension product requires higher security than a normal investment product, as people's whole retirement income might depend on it.

Mr. Pat McFadden (Wolverhampton, South-East) (Lab): The right hon. and learned Gentleman has spoken about the product in relation to house purchase and being an alternative to stakeholder pensions. On the issue of risk, does he accept that there are reasons for having safeguards in those areas, given what has happened in the past? For example, people have been exposed to endowment mortgages that carried risks that they were not aware of at the time. On pensions products, people have found themselves in situations that they did not expect to be in after paying into a scheme for years. Will he tell the House more about the balance between risk and people's freedom to invest their own money as they wish? This is an important area and safeguards are needed.

Sir Malcolm Rifkind: The hon. Gentleman raises perfectly legitimate concerns. The important point to dwell on is the recognition that this is not some theory that has suddenly been thought up in the last few weeks. The system already works extremely well in Canada, and has done so for a good number of years. In addition, we are talking about withdrawal to fund a deposit for a first-time buyer's home, not some dramatic new reason to spend the money. If people cannot do that through money that has been put in a savings account, they will not save that money in that form in the first place. They will simply use other forms of saving and the whole retirement objective will not be assisted.

If someone wanted to continue to get the tax benefits, they would have to repay in later years the sum they borrowed from the SaRA. If they failed to repay, although they would not be legally obliged to do it, they would lose the tax benefits and would therefore be using their own money in a way that they had themselves chosen. So the incentive to put the money back would remain if they wished to get the full tax benefit. That is what one assumes most people would do as their income increased during their working life.

May I now discuss part 2? This principally covers reform of the current compulsion to purchase an annuity no later than the age of 75. This is a controversial matter, but the House should be aware that the obligation to purchase an annuity no later than the age of 75—I emphasise this—does not exist in any other western country. I am aware of no country in the western world, or anywhere else for that matter, that imposes such an obligation. So the Government, although they have always resisted change, cannot say that that obligation simply conforms with normal practice.

The Government's insistence on retaining the obligation has become less and less credible: for many people, an annuity might indeed be the best means of providing for their retirement income; for many others, it has become less and less attractive in recent years. That issue has been debated in the House and when private Members' Bills have been introduced by my colleagues on the Conservative Benches.

We have listened to the Government. They have raised the concern that proposals in previous Bills would have required as part of the solution everyone—not just those who do not take an annuity—to take out an index-linked annuity at 65 to the extent required to ensure that they did not become unnecessarily dependent on state benefits.

We understand the Government's concern, so that proposal is not repeated in this Bill, which does not propose any such obligation, or indeed any new obligation. It would put no new burdens on the large majority of people who currently choose to purchase an annuity when they retire. However, it would offer them an alternative and give similar freedom to those who reach 75 without having purchased an annuity.

I am proposing an alternative way of using a pension fund on retirement and a way to control the investments and income derived from it. In some circumstances, that new alternative could be more attractive to an individual than the purchase of an annuity. It could also benefit everyone—not just the well off, who have traditionally been considered the only beneficiaries of the removal of the compulsory purchase of an annuity.

The alternative that I propose is a retirement income fund—the fact that the acronym is RIF is a pure coincidence, and no one should draw any conclusions from that. Again, it is based on a Canadian alternative to annuity purchase: registered retirement income funds. They were first introduced in 1985 in Canada, so they have been in force for 20 years—long enough to judge whether they have provided income satisfactorily for the individual's life in retirement. In the 20 years in which this option, which I propose for this country, has been available in Canada, it has proved highly successful and very popular.

Retirement income funds are the most widely held retirement income vehicle for pension savings in Canada, and they continue to grow in popularity each year as more people retire with defined contribution pension schemes. For the last tax year in Canada, out of just over 3 million citizens above retirement age, no less than 1.4 million—almost half—received income from a retirement income fund of the kind that I am proposing today. With the move away from defined benefit schemes to defined contribution schemes, compulsory annuitisation will affect more and more people, and the proposed retirement income fund allows for greater flexibility and potentially a more affluent retirement for everyone.

As with the Canadian system, under the new system at retirement, individuals would be able to choose whether to convert their pension saving into an annuity or a retirement income fund. At age 75, people will need either to convert their pension funds into an annuity, or into an alternatively secured pension, which the Government introduced some years ago, or to place their funds into a RIF, to ensure that each individual has a ready income for their old age. If the individual remains in employment beyond 75, however, or if he has sufficient income to be above the minimum retirement income level, he would be under no requirements to withdraw income from his RIF. The funds could be self-administered—the individual could select, along with the trustees of the fund, what investments could be made or managed by the insurance or trust company. The advantage of such a fund is that unlike an annuity, the fund can continue to be invested in equities, mutual funds, banks deposits and bonds. It would be possible to change RIF providers or to have more than one RIF in order to diversify the portfolio and the risk.

Sir John Butterfill: Would it also permit investment in property, either directly or through real estate investment trusts?

Sir Malcolm Rifkind: Yes, I understand that it would. I do not see that that would be a problem. Depending on the size of one's fund, of course, the wisdom of investing in property would have to be taken into account, and for many people it would not be a serious option even if it were a theoretical one. There are collective vehicles, however, for those who wish to go down that route.

Mr. Timms: Is the right hon. and learned Gentleman aware of the concerns that, under the Canadian arrangements, there is a danger of people running out of money, particularly if they live until their late 80s or 90s? Does he have a sense of how large a pension pot people would need for them safely to go down the route that he advocates?

Sir Malcolm Rifkind: Some concerns may have been expressed, but I am not aware of them. Certainly, the Canadian Government have no intention of withdrawing the scheme—it has been hugely successful, and almost half the pensioners of Canada use the arrangement that I propose. In addition, the Minister can be entirely assured because the amount that people will be permitted to withdraw from that fund for any purpose other than their retirement income will ultimately be controlled by the Government. They will determine what level of benefits are available to the public and the rate of entitlement to them, with actuarial considerations based on longevity as to what is a safe sum to be withdrawn in order not to run that risk. In 20 years, the problem has not emerged in Canada—it might be discussed at a theoretical level, but in practice it has not proved to be a problem.

Retirement income funds, again unlike annuities, allow individuals the flexibility to decide to use a larger proportion of their money in the earlier years of their retirement, on their leisure or on financially helping their children, without the risk that they would become dependent on state benefits by excessive erosion of their capital. The removal of compulsory annuitisation as the only retirement income option at 75 therefore allows individuals to have greater control over their investments and provides for the possibility of stronger investment growth in their retirement income funds and a variable level of income during retirement. The competition of such funds against the monopoly of insurance companies currently offering annuities might even encourage a more vibrant market and better value product.

One of the guiding principles behind my introduction to the House of this fund is, as I have said, choice. The other is that individuals should not become a burden on other taxpayers on retirement. Tax relief on pension savings recognises the benefit to society of encouraging savings to ensure that people do not fall into that category. The Government have previously objected to ending the compulsory annuity rule by emphasising that tax relief had been given for pension purposes and not for the accumulation of capital savings. But they have already undermined their own argument by allowing the withdrawal, tax free and without the need to repay the tax relief obtained, of a lump sum currently valued at 25 per cent. of the fund.

The conditions within the Bill, covered in clause 9, are designed to show our commitment to ensuring that those who choose to withdraw from the fund a lump sum or higher income than obtainable through an annuity do not then become eligible to receive pension credit. I refer specifically to the minimum retirement income, as defined in clause 11 of the Bill. That minimum retirement income will be set each year at a level equal to the Government's minimum income guarantee or the level at which an individual will find himself eligible to receive pension credit as a top-up of his total income. That total income includes state pension and other pension schemes or sources of regular income as calculated under the State Pension Credit Act 2002.

That would mean that where an individual's total income is higher than the minimum retirement income and assessed to be so over his lifetime, he can choose to withdraw more fully from his fund, leaving only what is needed to maintain him at or above the minimum retirement income, or to draw a low amount. That could lead to a nil balance left or a nil income taken. Conversely, where his total income is below that of the minimum retirement income, he will be obliged to leave within the fund sufficient funds to meet any shortfall over his lifetime and only withdraw to that limit. It is not my intention to provide for someone to withdraw all their retirement funds and later throw themselves on the mercy or charity of the state or other taxpayers.

Mr. Timms: How large a pension pot does the right hon. and learned Gentleman think that someone would need to have for that obligation to be met?

Sir Malcolm Rifkind: First, that would depend on whether they had other sources of income. Most people—not all, by any means—have the state pension, and they might have an occupational pension, second state pension and so on. To meet the minimum retirement income, therefore, the retirement income fund will have to be maintained at the level needed to fill the gap between the income that they have from other confirmed sources of income and that which will avoid

[Sir Malcolm Rifkind]

their falling into benefit. It will vary from individual to individual, but the ultimate parameters will be determined by the Treasury and the Government. For that reason, the Government's interest will be entirely secure.

Clause 10 covers the previously mentioned principle of allowing a retirement income fund to be taken either before or at age 75, in addition or as an alternative to an annuity or alternatively secured pension.

To promote fairness and a better deal for consumers, I have also addressed the need to make provision for people who purchase value-protected annuities, enabling them to have capital returned to their spouses or other beneficiaries when they die after age 75. At the moment, under the Government's rules, the return of capital, quite illogically and unfairly, is allowed if people die before age 75. If they die a day before they reach 75, their relatives get a proportion of the unused capital, whereas if they die a day after 75, they do not get a penny. That is a completely arbitrary rule, totally unfair and unjustified, and ought to be removed.

Clause 12, in part 2, covers the removal of the age limit for annuity protection lump sum death benefit. When people buy an annuity, they are buying an insurance policy against living longer than their funds allow. Annuities are sold by insurers who cope with the risk of paying out for longer than is profitable by retaining any remaining capital after an annuitant's death. Therefore, if an annuitant dies soon after purchase, the annuity provider stands to keep a large amount of capital. Many consumers feel that that amount of risk represents a bad deal.

From April 2006, as I have said, people can pay extra for value protection on their annuities, so if they die within a protected period, the remaining capital can be passed on in their wills, minus a tax charge. Under the Government's current proposals, that return is available only to those who die before the age of 75. I believe that the Government, like me, are committed to fairness regardless of age, and believe in helping consumers to get a better deal. This is the sharp end of equal opportunity and anti-age discrimination policies, and it is crucial if we are to persuade people to save more for retirement. When people know that the retirement income market is fair and that products represent good value, they will be more likely to save in the first place.

Part 3 covers the promotion of personal pension schemes, and it will not take more than a moment to explain. There is broad concern about the problems that are caused when people collect a large number of small pension pots. That has already been mentioned today. It is often known as high proliferation. When people stop paying into their main pension arrangements after a short period, it is known as low persistency. The problems largely stem from people's moving between employers, or in and out of employment. As a result, large numbers of people retire with private pension savings that are over-complicated, numerous and inadequate at the same time.

A recent survey by the Association of British Insurers found that more than 40 per cent. of people over the age of 30 have more than one personal pension, with some having more than five. ABI figures show that there were nearly 23 million personal pensions in existence in 2002, although Her Majesty's Revenue and Customs suggests that only about around 10 million were active and receiving tax relief.

A key problem is the fact that past practices and current stakeholder pension designation requirements ask employers to deduct pension contributions at source, but to pay the contributions into a single designated scheme. According to recent research, only 15 per cent. of people in receipt of an employer's pension contribution are able to choose where it is paid. That encourages low persistency, as when people move jobs they are likely to have to end the contributions to their former employer's pension schemes and start paying into a new alternative scheme. Allowing people to go on paying into the same pension after moving employers, and allowing easy consolidation of different pension arrangements, would not only benefit people who move jobs, but help those who return to paid work after a break and who already have an individual pension arrangement.

My Bill proposes reforms designed to make it easier for consumers to start paying and continue to pay into the same pension scheme, regardless of whether they move jobs. That will be achieved by allowing many more employees to have their employers' pension contributions paid directly into a pension scheme of the employees' choice. My reforms will increase radically the number of employers who offer the facility of paying pension contributions directly into a pension scheme of each employee's choice. The change would be implemented by asking those employers who have to designate a stakeholder pension to offer a payroll deduction for contributions to any stakeholder or other personal pension scheme, including SaRAs.

The Bill would also reduce the cost of running pension schemes, because providers would have fewer small funds to administer. For example, if people tended to take their pensions with them from job to job, there would be less need to pay initial commission to cover the sale of a new product, with a resulting impact on charges for consumers. The end result will be fewer, bigger pension funds which are easier for consumers to understand, which cost less to administer, and which provide higher incomes in retirement.

I apologise for detaining the House for so long, but I was of course pleased to respond to so many interventions. Let me finally say this. The Government have said on numerous occasions over the past few months that they hope it will be possible to achieve a degree of national consensus on savings and pensions so that future generations of savers and pensioners can be given certainty and security. We have told the Government that we understand that aspiration, but consensus requires the Government not only to speak but occasionally to listen, and to be prepared to accept sensible, constructive proposals that may come from other sources. It would not be acceptable for the Government, either explicitly or implicitly, to reject proposals simply because they were not invented here.

I hope that the Government will consider my proposals on their merits. I have no doubt that some changes will be needed in Committee to much of the detail. That is true of even the Government's legislation from time to time, so that in itself could not be an objection. I do not think that anything in the Bill

conflicts with any of the objectives of Government policy. We all recognise that a savings crisis exists. The schemes in the Bill are not theoretical: they are not "unthought" ideas. They have worked in practice, particularly in Canada, for the last 20 years.

The Bill has bipartisan support. I have already mentioned the right hon. Member for Birkenhead, who carries a good deal of weight in the House when it comes to these matters. I hope that the Minister will be able to give a positive response, and that the House as a whole will consider the Bill worthy of its support.

10.45 am

Sarah McCarthy-Fry (Portsmouth, North) (Lab): I congratulate the right hon. and learned Member for Kensington and Chelsea (Sir Malcolm Rifkind) on his success in the ballot. I sympathise with his discomfort in speaking from the Back Benches. I too am speaking from the Back Benches, but then I know no different.

Perhaps the right hon. and learned Gentleman should ask himself why he was so summarily deprived of the comfort of the Front Bench, and why he spent eight years out of Parliament. The reason is the Conservative Government's mismanagement of the economy, the shocking poverty in which our poorest pensioners were left after 18 years of Tory government and the perception that the Conservatives were interested only in the better off, not the lower paid, the disabled or pensioners who had only the state pension to live on. The Bill is laudable for his supposed aim of introducing flexibility and simplicity, but I fear that while its flexibility may assist those who are financially literate, it does not address the needs of those who face financial exclusion.

Mr. Tobias Ellwood (Bournemouth, East) (Con): Is the hon. Lady suggesting that the current state of our pension systems is due to the actions of the last Tory Government? That is preposterous. The system has been ruined because of the present Government, not the last Tory Government. We handed over a very good system in 1997; it is now in an utter mess.

Sarah McCarthy-Fry: The pensioners who were living in poverty after 18 years—the poorest pensioners, having to live on the state pension—would not agree with the hon. Gentleman.

Mr. Mark Harper (Forest of Dean) (Con): May I support my hon. Friend the Member for Bournemouth, East (Mr. Ellwood)? The right hon. Member for Birkenhead (Mr. Field) said

"The big issue that ought to be worrying the whole of the Government, because it's worrying voters, is that when Labour came to power we had one of the strongest pension provisions in Europe, and now probably we have some of the weakest".

Sarah McCarthy-Fry: We need to return to the point about who the pension provisions were for. Let me repeat that the millions of pensioners living in poverty, having to live on just £69 a week, would not consider themselves to have a very strong pension provision.

Ms Angela C. Smith (Sheffield, Hillsborough) (Lab): Many retired steelworkers in my constituency are now in the awful position of being spiritually broken by the destruction of 30 years of pension savings by employers who raided pension funds. Does my hon. Friend agree that it was this Government who did something about that awful situation?

Sarah McCarthy-Fry: Of course I entirely agree with my hon. Friend.

Andrew Gwynne (Denton and Reddish) (Lab): Did not many people find that they have been mis-sold private pensions? That too is something that this Government have started to tackle.

Sarah McCarthy-Fry: Again, I entirely agree.

Mr. Brian Binley (Northampton, South) (Con): Will the hon. Lady give way?

Sarah McCarthy-Fry: Yes.

Mr. Deputy Speaker: Order. If we are to retain some order in the debate, the hon. Member for Portsmouth, North (Sarah McCarthy-Fry) should be given a chance to finish her reply to the last intervention before another tumbles in upon it.

Mr. Binley: My sincere apologies, Mr. Deputy Speaker.

Sarah McCarthy-Fry: Thank you, Mr Deputy Speaker.

I agree with my hon. Friend the Member for Denton and Reddish (Andrew Gwynne). Many people were mid-sold pensions and are having to find their way through their difficulties, and it is this Labour Government who have helped them to do that.

I have been accepting interventions because I was advised, as a new Member, that it was very bad form not to accept them. I now give way to the hon. Member for Northampton, South (Mr. Binley).

Mr. Binley: I thank the hon. Lady for her kindness. I had hoped, however, that the debate would not descend into party-political point-scoring. I honestly feel that it is not helpful.

Speaking as a secondary modern school boy who left school at 15 and has all the classical working-class attributes, I consider the hon. Lady's remarks to be particularly unhelpful to those who did work for a living. If she wants to get into point scoring, will she tell me what good levying £5 billion-worth of tax for the last eight years has done for any pensioner in this country?

Sarah McCarthy-Fry: Pensioners have benefited greatly from the strong economy that our Chancellor has delivered in the past eight years, and which certainly was not delivered under 18 years of Tory rule. I want now to address the Bill.

My concern is that although the flexibility described in the Bill assists those who are financially literate, it does not address the needs of those facing financial exclusion. Some 1.5 million households lack even the

[Sarah McCarthy-Fry]

most basic of financial products, and these people are heavily concentrated in communities with high overall levels of deprivation.

Justine Greening: I thank the hon. Lady for giving way. It is clear from my constituency experience that one reason why many people have poor personal financial provision is that they do not understand the products on offer. However, does she not accept that the simplicity that the Bill would introduce to saving through the SaRA is at least a step forward compared with the current system? Perhaps it is just part of a wider solution to the pensions and savings crisis that we face, but surely it is a step forward, rather than back.

Sarah McCarthy-Fry: As I have already said, the Bill's aim of bringing simplicity is laudable, but the simplicity that it offers is not relevant to many of my constituents. There are areas of severe deprivation in my constituency, where between 14 and 17 per cent. of residents are seriously in debt, and between 38 and 50 per cent. experience stress in paying household bills. Financial exclusion—the lack of access to mainstream financial services—often affects the most vulnerable residents, such as the unemployed, single parents and people with disabilities. Inadequate access to appropriate financial services has forced many residents in my constituency to resort to high-cost lenders such as loan sharks.

The authors of a 2001 study on tackling social exclusion worked with residents of a community similar to the Portsmouth community that I have just described, in order to identify their most pressing needs and the most appropriate ways of meeting them. They found that such people welcomed being consulted and had a clear idea of what would best meet their need. They welcomed, for example, the development of basic bank accounts that cannot be overdrawn. They aspired to save but frequently needed to borrow, and they were attracted to schemes that linked saving and borrowing, such as credit unions, to which I shall return.

The SaRA, or "Sarah"—I am very flattered, but I am sure that the right hon. and learned Member for Kensington and Chelsea did not mean to name it after me—appears to offer flexibility, but for people facing financial exclusion such flexibility is in the realm of dreams. They could not commit to the sums that they are required to save every month, and the options for the drawdown are absurd. People facing financial exclusion need to withdraw funds—

Sir Malcolm Rifkind: The hon. Lady says that such people would be unable to afford the sums that they are committed to contributing, but there is no commitment at all. They can pay as little or as much—or, indeed, nothing at all—in a given month, if their financial circumstances point in that direction. So there is total flexibility to adapt not just once and for all, but each month throughout their working lives.

Sarah McCarthy-Fry: The right hon. and learned Gentleman and I are talking about different worlds. I am talking about people who will save small change and who may not be in regular work.

Returning to the drawdown, such people need funds to buy a child a pair of shoes, not a house. They do not earn enough to buy a property themselves, let alone to help a child purchase their first house. People facing financial exclusion have often been caught by loan sharks, and they have to be able to break the cycle of borrowing before they can even start saving.

The 2001 study also noted that among people facing financial exclusion, there was a widespread mistrust of banks and insurance and credit companies, and a very high level of disengagement from financial services. Levels of knowledge were low. However, although people had little money to save, saving was considered a high priority. Saving was an almost universal aspiration—for the sense of security that it gives, and because it can reduce dependence on high-cost credit. But as I have said, those facing financial exclusion can afford to save only very small amounts, and they often do so informally. In the main, banks and building societies are not interested in small sums, particularly if they come in the form of loose change. These people are looking not for a savings and retirement account, but for a simple and secure savings account into which they can pay small sums.

A further study was undertaken in 2002 by National Energy Action, the New Economics Foundation and the Personal Finance Research Centre. This research linked fuel poverty with financial exclusion, and sought ways to help financially disadvantaged groups to use financial products to enable them to take advantage of cheaper, electronic methods of bill paying. Focus groups in three cities, including my own constituency, featured in the study. The profile of households paying their bills in cash revealed that more than half were tenants in the social rented sector; that almost half were single adults, a large proportion of whom were single parents; and that a disproportionate number were non-pensioner households with no one in paid employment.

The report concluded that financial exclusion imposes costs on everyone. The excluded are denied access to essential services, and providers of those services can incur enormous costs in pursuing and recovering debt. The consequences of debt go further than simply not being able to pay a bill. They can lead to desperate and chronic debt problems, resulting in people incurring further debt at exorbitant cost. This becomes a vicious circle, leading to further impoverishment.

Mr. Binley: You are very kind in giving way. I understand what you are saying about the people whom—

Mr. Deputy Speaker: Order. I am always very kind, but I think that the hon. Gentleman is referring to the hon. Lady.

Mr. Binley: I am indeed, Mr. Deputy Speaker. I understand what the hon. Lady is saying and she is speaking for such people particularly well, which is appreciated. I am not sure, however, that her defence of them is an argument against the Bill proposed by my right hon. and learned Friend the Member for Kensington and Chelsea (Sir Malcolm Rifkind). In what

way are her observations an argument against trying to help the many millions of people that this Bill will benefit?

Sarah McCarthy-Fry: If Members allowed me make progress, they would perhaps see where my argument is leading. This is a question of the differing priorities of Members in different parts of the House.

One thing that this report had in common with its predecessor was the acknowledged role of credit unions in helping to tackle financial exclusion. Throughout the English-speaking world, credit unions have been highly successful in extending low-cost financial services to communities, particularly those not well served by mainstream providers. As of September 2003, there were 663 registered credit unions in the UK. Based on either a geographical area or a work force, credit unions operate as co-operative savings and loans agencies. A credit union is required to establish a "common bond" between its members, and in recent years this has been taken to include whole cities, including my own constituency.

In Portsmouth, Pompey Savers Credit Union has proved a valuable tool in tackling social exclusion by helping people to learn the value of making regular savings, however small, which the union then uses to provide a source of low-cost credit. That is particularly valuable for those who have difficulty borrowing at affordable rates of interest from mainstream financial providers, and who might otherwise turn to loan sharks.

Mr. Vaizey: The hon. Lady is talking the language of priorities, but is she aware that when this House debated the Consumer Credit Bill, her Government resisted calls from Conservative Members for an interest rate cap on loan sharks? Surely she should address her remarks to Government Front Benchers, who missed the huge opportunity provided by that Bill to crack down on loan sharks.

Sarah McCarthy-Fry: Credit unions are a way of tackling loan sharks, and recent financial services legislation greatly enabled credit unions to make progress in this regard.

As a co-operator, I have long supported credit unions. They are financial co-operatives, which are part of Britain's long-established co-operative movement. Since the Rochdale pioneers of the 19th century, people have been working together to share skills and resources and to make their communities a better place.

People in low-paid jobs need security and flexibility over day-to-day financial decisions—putting food on the table and paying the electricity bill. They do not have the luxury of massive amounts of disposable income to save, but please do not think that I am ignoring the needs of those members of our society who do. However, those people do not need yet another uncosted savings scheme offering tax breaks, when we already have one—the individual savings account or ISA, which is the Government's primary vehicle for tax-free savings outside pensions. It has worked well and more than 16 million people currently have an ISA. More than £180 billion has been subscribed to ISAs since their launch in 1999 and it has been supported by about £1.6 billion in tax relief for savers. In short, the Government's aims of targeted support and incentives for saving from childhood through working life and into retirement are, I believe, already met by the current products on offer.

As for the retirement income fund, it seems to me that, like the savings retirement account, it favours those with above-average earnings. I am struggling to see how it would benefit those for whom it is difficult to build up pension entitlement, particularly women, as my hon. and learned Friend the Member for Redcar (Vera Baird) mentioned. The incomes of female pensioners are lower than those of men because, historically, pensions have been tied to the workplace and the national insurance system. That has disadvantaged women because so much of the work that they have traditionally done—caring and bringing up children—is in the home and is unpaid.

The Labour Government have recognised that and given many women, as well as other carers, low earners and disabled people, the chance to build up a decent pension for the first time by introducing the second state pension. That is particularly important for low earners and those with caring responsibilities, since they are credited as if they had at least £11,600 a year. The second state pension is at least twice as generous to low earners as the previous state earnings-related pension scheme and, of course, SERPS completely excluded carers and disabled people from building up a decent state pension.

I am not convinced that the proposals in the Bill offer an advantage, even to those people it purports to help—namely, the better off—because the new rules for income drawdown and alternatively secured pensions that come into force next April will offer additional options that are easier and simpler to administer. In addition, they will allow a tax-free lump sum when benefits are taken.

Justine Greening: In my Putney constituency, the average voter age is 34, and I believe that the Bill would greatly help the 20-somethings and 30-somethings. In the context of what is being proposed, there is ample evidence in Britain that such people, who are trying to get on the property ladder, often prefer a mortgage product with a huge amount of flexibility to allow for stopping payments or drawing down lump sums in order to invest in a property. Surely that suggests that the sort of savings and retirement vehicle offered in the Bill is precisely the product and tool that many of my constituents would like.

Sarah McCarthy-Fry: Once again, it comes down to priorities. We are talking about pensions and the fact that we are asking people to prepare a secure pension for when they retire. I believe that the vehicles already on offer under the present Government meet those requirements.

In conclusion, given that the Government already offer—*[Interruption.]*

Sir John Butterfill: Before the hon. Lady concludes, does she really think that the existing annuity rules are tenable in the long term? Does she agree that no independent financial adviser would, if there were no compulsion, advise anyone to buy an annuity, particularly if they had limited life expectancy through

[Sir John Butterfill]

a severe disease? Yet some people are being forced to buy an annuity when they know they may die within two years.

Sarah McCarthy-Fry: The right hon. and learned Member for Kensington and Chelsea has already said that, in the majority of cases, purchasing an annuity would be the best option. I would also draw the hon. Gentleman's attention to the fact that we are varying the annuity rules that come into effect next April.

Given that the Government already offer significant incentives to save via tax relief and national insurance relief—

Mr. Nick Hurd (Ruislip-Northwood) (Con): Specifically on that point, the hon. Lady talks about the Government's record on delivering incentives to save. Does she agree with the Pensions Commission, which found that

"means testing within the state system both increases complexity and reduces, and in some cases reverses, the incentives to save via pensions which the tax system creates."?

Sarah McCarthy-Fry: In my constituency, means-tested benefits have lifted an inordinate number of pensioners out of poverty and enabled them to live an independent life. Many pensioners living on £69 a week in 1997 have told me that, now, they have never been so well off.

If one takes the view, as I do, that tax reliefs on pension savings should be used to provide a secure income in retirement, not to build up a capital asset to pass on to one's heirs, I consider the Bill to be unnecessary. Notwithstanding that, I also consider it to be premature, as we are shortly to see the publication of the second report of the Pensions Commission.

We are all aware of the serious demographic challenges facing us over the next 50 years. Quite frankly, we are all living longer, and that trend looks set to continue. Back in the 1980s, a man could probably count on an average of 14 years of post-65 retirement, but on current trends, we can expect that to be 22 years by 2051. If we set that trend against a falling birth rate, it easy to see why there will be a large increase in people of pensionable age and the challenge for the Government is to find a solution that tackles poverty, that is open to all, but which keeps Government expenditure at sustainable levels. That, of course, is the reason why the Pensions Commission was set up. It seems to me to be premature to bring forward this Bill in isolation—given that it is narrowly focused in favour of the better-off—in advance of the wide-ranging debate that I am sure we will have when the Pensions Commission report is published.

11.6 am

Mr. David Laws (Yeovil) (LD): I am pleased to be able to contribute to the debate and I start by congratulating the right hon. and learned Member for Kensington and Chelsea (Sir Malcolm Rifkind) on introducing the Bill and on the constructive way in which he made his proposals. Clearly, the attempt to incentivise savings in this country and to increase the amount of private saving is timely. Government figures released yesterday show that only 44 per cent. of people of working age are currently making any provision for their own retirement on top of the state pension. That must surely be a matter of concern.

Mr. Timms: I apologise to the hon. Gentleman for intervening so early in his speech and I am grateful that he has allowed me to do so. May I correct him, as there have been some misleading headlines about those figures this morning? The proportion to which the hon. Gentleman refers is the proportion of employees in defined benefit schemes. If we add in the other forms of pension savings, the proportion of employed people contributing presently is, on the basis of the new figures, 56 per cent. compared with 55 per cent. in 1997.

Mr. Laws: We could trade statistics for some time. I was talking about people of working age, not just people who are in employment. Surely we should be concerned about all individuals of working age. I am sure that the Minister would agree that, irrespective of what figures he wants to place on the table and in the light of the figures reported in the media today, there is a massive crisis in respect of the lack of additional private saving that is being made on top of state provision. I am sure that Lord Turner would agree with that, too. So far, the Government have been unsuccessful in shifting the balance of provision away from reliance on the state towards more private forms.

In that context, the Bill is timely and we agree with a number of proposals within it. It also highlights the need for the Government to join up their thinking in a number of areas in respect of pensions and savings policy. The hon. Member for Wantage (Mr. Vaizey) pointed out earlier that the Government are spending a considerable amount of money establishing child trust fund accounts. They will initially cost about £0.25 billion a year, stepping up to more than £0.5 billion over a period of time. The idea behind the accounts is to get young people engaged in the savings habit from an early age. We are sceptical about the value of those accounts, but if the Government are going to introduce them, why on earth is there no joined-up thinking about them? The accounts mature when the person reaches the age of 18; why are not those 18-year-olds then encouraged to use the accounts as a vehicle for saving and, ultimately, as a vehicle for retirement? When the Child Trust Funds Bill was in Committee, I put to the Financial Secretary precisely the point raised today by the hon. Member for Wantage, and it was clear that the Government had not thought about it. That is baffling.

The right hon. and learned Member for Kensington and Chelsea has set out some important proposals today, which may be of help in addressing the savings gap. It is also appropriate to say that the hon. Member for Portsmouth, North (Sarah McCarthy-Fry)—she was obviously encouraged to give way to interventions to an extent that she may never do again—highlighted the fact that the pension provision crisis is far wider than the issue of incentivising private saving, which will always be easier for those individuals on higher incomes. Today's debate, therefore, covers only a small proportion of the debate that we will want to have once Lord Turner has presented his report at the end of November. Indeed, I am sure that the right hon. and

learned Gentleman would concede that his Bill does not seek to address all of the problems in the pension system and that it would leave many people with considerable problems under the present system.

The Bill contains three major proposals, which I shall address in order of my enthusiasm for them, but I shall give the right hon. and learned Gentleman two cheers, not three. I agree with the first proposal to do away with the existing, inflexible rules on annuities. My hon. Friend the Member for Northavon (Steve Webb) has spoken several times on that issue in the past few years, and our party believes that we need more flexibility in the rules to give people more choice in retirement. That would become much easier if we had a state pension system that took people above the means-tested level or out of poverty. The Government's inclination to stick with the annuity rules is partly, I presume, driven by their concern that people might blow all their money early in their retirement and then fall back on means-tested benefits. We hope that Lord Turner will propose a movement away from the means-tested system, towards which we have been increasingly driven since 1997, through the introduction of a much better state pension that would lift people out of poverty, set at or above the means-tested level. If that happened, it would be much easier for the Government to be more relaxed about how people manage their private funds in retirement. The questions that the Minister asked about the risk that people might run out of money towards the end of their retirement, especially as they are living longer, would be less of a concern. That risk would still be of concern to the individuals, and they would have to take personal responsibility for the way in which they managed the funds, but the state's responsibility is to ensure a minimum level of provision. Therefore, we support the right hon. and learned Gentleman's proposals for removing the inflexibilities in annuitisation, which include his well-named RIF proposal.

The second proposal would increase the portability of private employer-provided pensions. That is an important issue, given that people increasingly have several different employers during their working lives and may want to take their pensions with them, instead of having several different pensions in different places. The right hon. and learned Gentleman's proposal seeks to update the present pension system for the modern era and I hope that it can be linked with some of the suggestions—welcomed by all three parties—for more auto-enrolment, so that every employee ends up in a pension scheme unless they decide to opt out. If that happens, new pension options will be necessary, because small and medium employers may not want to establish their own pension schemes. We may need to consider options that give people confidence that they will not pay a large portion of their savings in commissions, that are solid in terms of credit risk and that take low market risks. The Minister will know that my hon. Friend the Member for Northavon, in pensions proposals we made earlier this year, suggested that National Savings and Investments might have a role in establishing a low-risk, low-cost pension that could be the default option for people who are auto-enrolled by small and medium-sized employers who may not wish to establish schemes of their own. The right hon. and learned Gentleman's proposal fits in well with the thinking—I hope—of all three parties about the need to ensure in the future that we use the force of inertia to keep people in second pensions, instead of keeping them out, which has been the case for many years.

The Minister raised an important point about the burdens that the proposals may place on business, which will need to be addressed if they are taken forward. The right hon. and learned Gentleman pointed out that his proposals were published only a few days ago and it is therefore rather early for business organisations to comment. The Investment Management Association has already released a briefing paper on the Bill, which welcomes aspects of it, but also says that it does not address the genuine concerns of small to medium-sized employers who will have serious difficulty meeting the obligations in clause 3. The proposals would need to overcome some serious practical issues and we would also need to ensure that they did not undermine good existing employer provision. Employers must be very tempted to shed any responsibility for pensions, given the increase in longevity and poor asset market performance in recent years, which have made many employer pension schemes a massive financial liability. Many employers would welcome the opportunity to be rid of that responsibility, so we must ensure that giving people more choice of pension product does not erode the commitment of employers to that savings vehicle and result in inferior provision.

The third proposal, for a savings and retirement account, is the one that I approach with greater caution. It is proposed that people would be able to save and draw down their money under certain circumstances. I accept that the right hon. and learned Gentleman is attempting to create the most flexible possible system of saving to give people as much freedom and independence as possible, and we should all look favourably on proposals motivated by such considerations. However, we would need to resolve several serious practical issues, the first being tax relief and whether the proposals would simply shift savings around rather than increase the amount of saving. The hon. Member for Portsmouth, North mentioned the fact that the existing tax relief largely favours those in the upper income brackets. Some 60 per cent. of existing tax relief goes to upper-rate taxpayers and tax relief is not usually very relevant to people on low incomes. The second concerns the practicality of the draw-down mechanisms that the right hon. and learned Gentleman proposes. The issue really is whether his proposal that people should be able to save and draw out money in a pension vehicle is right, or whether we should focus on improving the existing pensions regime and enable the provision of a flexible savings vehicle for people who want to save money but have access to it.

On the first point, last year the Association of British Insurers released a report on UK pension reform that referred to the individual retirement accounts used in the United States, which are similar in some ways to the right hon. and learned Gentleman's proposals. The ABI points out that the current limit on contributions in the US is £1,058, plus £132 for a non-working spouse, which is just over £2,000 per household. However, it points out that tax deductibility under that scheme is limited to those who are not members of an occupational pension scheme and those who are on low earnings. It mentions that during the 1980s, when the rule was removed, it led to a surge in pension saving by those on higher incomes, and there was a fall when the rule was later reapplied.

[Mr. Laws]

Following an announcement in 2004, the Bush Administration plan to consolidate the wide range of existing IRAs and create a new form of personal pension product: the retirement savings account. Unlike most IRAs, the accounts will operate on a TEE basis—taxed, exempt, exempt—which means that contributions are made after tax, but returns and benefits are free of tax. In other words, the proposal in the US and the general way the accounts have operated there focus tax relief at the lower end of the income distribution scale. Unlike pension tax reliefs in the United Kingdom, which are all upfront with tax relief on retirement, the proposal in the US is to have the contributions made after tax and the accounts thereafter tax exempt. That is the same tax relief structure as we have on ISAs in this country.

I appreciate that the right hon. and learned Member for Kensington and Chelsea cannot say a lot about tax relief under the terms of the Bill, but my concern is that the proposal might become a vehicle for greater avoidance or postponement of tax by those at the upper end of the income distribution scale who already have significant tax reliefs and protection from double taxation. I would not want to spend much more on tax reliefs for higher earners, who are largely making good provision for their pensions. If that is what is implied by the Bill, I am very nervous about it. I am concerned that it would lead only to shifting of savings from non-tax advantaged accounts to tax advantaged accounts.

Justine Greening: Are not the hon. Gentleman's concerns analogous to those that he may well have about the Chancellor's proposal for self-invested personal pensions, in which people can invest in a second home and put it into a pension vehicle where it will be tax-free?

Mr. Laws: The hon. Lady is right. We are concerned that the Government's proposals will be very expensive and that it is higher earners who will take advantage of it, as they will be able to gain even more tax relief on pensions. I return to the figure cited earlier: at the moment, 60 per cent. of tax relief on pensions already goes to upper-rate taxpayers, so the vast majority of people get very little help from it. We would not want to do anything to increase tax relief for, or direct it to, those on higher incomes, as the Government's existing proposals do.

The next consideration is the drawdown mechanism in clause 5. Subsection (6) sets out the terms under which drawdown can occur. There are two problems. One is the practical issue of monitoring the drawdown and ensuring that people pay the amounts back in later on, so that they do not take advantage of the tax relief and then blow it all on other assets without paying it back. The right hon. and learned Gentleman touched on that.

The other issue is whether these are the right items on which to allow people to draw out money from their pensions. The right hon. and learned Gentleman highlighted important events in people's lives, such as purchasing a house or investing in education, but it is not obvious why those particular conditions should be given a higher priority than the many other important events in people's lives; for example, being made redundant, facing substantial health costs or discovering that a child has a terminal illness. We can all think of many pressures and unexpected events that may be of a higher priority than those identified by the right hon. and learned Gentleman. The conventional way for people to deal with those problems is to have savings on which they can draw at any time and top back up whenever they want. That is the ISA provision already made by the Government. It is not tax advantaged in the same way as pensions, but it is tax advantaged to the extent that there is tax relief when the money is drawn out and the yield received.

Ms Angela C. Smith: Does the hon. Gentleman accept that buying a first home is one of the key events in adult life? The Bill, in a sense, would help people to deal with the problem of the price of housing and the raising of a deposit. Does he agree, however, that the provision of affordable housing, not the Bill, is the key response to that problem?

Mr. Laws: The hon. Lady is absolutely right, but I am sure that if I go too much into the provision of affordable housing, Mr. Deputy Speaker, you will quickly warn me that my remarks are wide of the Bill. Even the right hon. and learned Member for Kensington and Chelsea would not suggest that he is trying to deal with that problem in the Bill. I certainly share the hon. Lady's view that this is not the right way to solve it.

I am concerned about the third aspect of the right hon. and learned Gentleman's proposal. I do not want to end up spending more tax relief on those on higher incomes who may simply be redistributing their existing savings. I wonder whether the complexity of his proposal is worth the extra flexibility it is designed to achieve. Perhaps we ought to be focusing much more on improving the pensions architecture, allowing the existing ISA scheme to continue and making that the vehicle through which people deal with their rising and falling demand for cash as they go through their working life.

We welcome a large element of the Bill: two of the key proposals made by the right hon. and learned Gentleman. We are concerned about the third, as I have said. Like the hon. Member for Portsmouth, North, we think that the debate on pensions must go much further than incentivising people who are typically on high or upper middle incomes to save more. There are many other reasons why people are not saving more at present. They are related to the fantastic complexity of the pension system—the most complex in the world, according to the Turner Commission. They are related to means-testing, an issue raised by an hon. Gentleman earlier, which may ensnare up to 70 or 80 per cent. of the population in 50 years' time. It is leading many financial advisers to be very cautious about advising people to save when they fear that many of them may lose the advantage of those savings because their benefits will be withdrawn.

The problem of saving is exacerbated by people's recent lack of confidence in the pensions system, by their concern about the extent of charges and by the inertia that keeps many people from making private provision when there are so many other demands throughout their working life—demands that are increasing because of the cost of housing and the transfer of tuition costs from

the taxpayer to students who have to pay back throughout their working life. These are the bigger issues that need to be resolved if Britain is to tackle the pensions crisis that it faces.

The Bill is a worthwhile contribution to the debate, but I hope that even the right hon. and learned Gentleman will agree that we will need to debate those other big issues when Lord Turner's report comes out.

Mr. Deputy Speaker: It may be helpful if I say to hon. Members that although spontaneity is never to be discouraged, it is helpful if they notify the Chair of their desire to speak in advance, as is customary.

11.28 am

Lyn Brown (West Ham) (Lab): The Bill is a narrow reflection of the concerns that many of us have about pension policies. The hallmark of a good, decent society is not how well the strong prosper but how the weaker and most vulnerable are supported. A decent society is one that gives its eldest citizens dignity in retirement, and that is what the debate should be about. How can we honour the contribution of the older members of our society to the fortunes of our nation? To that end, I shall outline what I believe the Bill should have addressed, and make it plain why I do not support a Bill that does not face up to those obligations.

I shall start with some general observations on the proposals, then make specific points about the details of the Bill. First and foremost, I believe that the presentation of the Bill jumps the gun in the debate on pension provision in modern Britain. The Government have already acknowledged the importance of the issue not only for current pensioners or for my generation, but for those who are starting their working lives. That is why they set up the independent Pensions Commission to investigate how best society can alleviate the pressures on our pension provision. That reflects the fact that Labour Members are keen to find a solution not just for the short term, but for future generations. I welcome the Government's commitment to consultation, debate and consensus across all political parties and among the wider public, and their recognition of the importance of collective consent on the matter.

The commission has already contributed much to our understanding of the scale of the issues that we must address. It has highlighted the fact that 12 million over-25s are not saving enough for their retirement. Many members of the public share a concern about their financial future. The Henley Centre reports that 55 per cent. of the British public are worried that they will not have enough money on which to retire. I look forward to the final report at the end of the year and to seeing the broader picture that it will offer of the challenges facing us.

Mr. Ellwood: The hon. Lady refers to several reports. Does she not think that a Government who have been in power for seven years—[HON. MEMBERS: "Eight."] How time flies. Have we not had enough reports? Have we not had enough people commenting on the issue? Is it not now time for action? The hon. Member for Portsmouth, North (Sarah McCarthy-Fry) said that Labour inherited a bad system, but I say that the system has got worse. The longer we wait before getting on with the job of improving our pension system, the worse it will be for pensioners of my generation.

Lyn Brown: It is difficult to know where to start. I come from a poor area of the country. My pensioners would not recognise what you are saying about their position now compared with their position when the Conservatives left government. Perhaps one of the reasons why you are not speaking to my community is that you fail to understand their concerns—

Mr. Deputy Speaker: Order. The hon. Lady may have just guessed what she is getting wrong. She means the hon. Gentleman, not me.

Lyn Brown: Thank you, Mr. Deputy Speaker.

What are the problems facing our society that we must tackle through legislative programmes? We must honestly appraise them, which is why we have had so many reports. We have listened and learned as the demographic profile of this country and many others changes.

Mr. Ellwood: Wait another eight years.

Lyn Brown: Like many nations throughout the developed world, our people are living longer and, thankfully, better lives. In 2002, there were 10.9 million pensioners in the UK; according to Government figures, their number will increase to 15 million by 2031. The issue does not only affect us. Age Concern points out that by 2050 more than 30 per cent. of all European Union citizens will be aged over 60. All developed nations are looking to secure their future. If we want future pensioners to share in our nation's prosperity, as is right, we must recognise that the changing demographic picture creates new challenges for our society. That is why the Government are taking action. It is a sign of those changes that when the state pension scheme was first introduced, there were 10 people in work for every pensioner; now, there are four, and within the next 50 years we will reach the point where there are only two people in work for every pensioner.

Greg Clark: If things are as rosy as the hon. Lady implies, why is indebtedness at an all-time high?

Lyn Brown: I do not think that I painted a rosy picture. I clearly stated the difficulties facing us. I said that by 2050 more than 30 per cent. of the citizens of the European Union will be aged over 60. We should be concerned about how we will provide for the retirement of all those citizens, not just a few. The Bill will not help us to do that.

Those who are now under 50 will be affected by the changes that I have described. We need to make decisions now to avoid difficulties in 15 to 20 years' time, especially given the rapid and extremely welcome increase in longevity that this country has experienced in recent decades.

As the Member of Parliament for West Ham, I know that the picture of personal financial prosperity that the Bill represents does not speak to the majority of people in this country. The biggest difference to the incomes of

[Lyn Brown]

many of the elderly residents of my constituency has come not from the stocks and shares they possess, but from the Labour Government's increases in the basic state pension and their introduction of the minimum income guarantee and pension credit, which I understand the Bill does not reflect.

Mr. Harper: I do not think that my right hon. and learned Friend the Member for Kensington and Chelsea (Sir Malcolm Rifkind) suggested that the Bill is the answer to every aspect of the pensions crisis. It is worth remarking on means-tested benefits, to which the hon. Lady has drawn the House's attention. I do not criticise the Government for their initial reliance on means-tested benefits—the Conservatives had means-tested benefits when we were in power—but it is becoming clear that increasing reliance on such benefits to the point of being over-reliant on them gives younger people only negative incentives. She talks about the current older generation, but we must also be concerned about the younger members of our community who are not saving; we should worry about whether they will be in a good financial position when they are older.

Lyn Brown: I recognise that we live in a world in which some people are getting by on the minimum wage. Report after report from the social exclusion unit shows that a person who starts work on a very low wage often finishes work on a very low wage. Such people do not have the opportunity that every Member of this House has to save for their old age. They are the people I want to protect. It is low-wage earners who keep our social services and our public services going; they contribute to our industry, our economy and our community, and just as they have provided for us, we must provide for them in their old age.

If we are to address the pressures on our pension system, our focus must change. As my hon. Friend the Member for Portsmouth, North (Sarah McCarthy-Fry) said, we must think about priorities—our own and those that the Bill reflects. I am concerned that SaRAs and retirement income funds will do little to help those who do not already have pensions or those who are at risk of pensioner poverty in future. The proposals would create tax breaks for the wealthy, I fear. Labour Members' interest is and will continue to be how to ensure that we in the UK end the scandal of pensioner poverty and make decent pension provision for all. It is no coincidence that retirement income has increased faster than earnings in recent years, with the largest increases seen among the less well-off, which reflects our priority of tackling pensioner poverty. In the past eight years, the boost to the state pension and the introduction of the tax-free winter fuel payment have helped all pensioners, whose average net incomes have increased by 19 per cent.—7 per cent. more than the increase in earnings.

The Government's pensions policy has been one of progressive universalism. I wholeheartedly support that approach, which has ensured that all pensioners benefit from a Labour Government, but that the most help goes to those who are in greatest need.

Julia Goldsworthy (Falmouth and Camborne) (LD): Is the hon. Lady aware that a quarter of all people entitled to pension credit do not receive it? That is 1 million households. What are the Government doing to help to improve that situation? What is being done to reduce poverty among pensioners?

Lyn Brown: I am pleased to say that in my local authority, the London borough of Newham, we have done a great deal to ensure that there is a take-up. I understand that the borough has one of the highest take-up rates for pensioners in the UK. I believe that take-up is 80 per cent. That is good but it is not good enough. Twenty per cent. of the community in Newham need to have the message put out to them. It is the duty of us all in the House to ensure that our communities have access to the information that they need.

Mr. Dan Rogerson (North Cornwall) (LD): The hon. Lady rightly points out that good work on take-up is going on throughout the country. I would not seek for a minute to say that that work is not taking place, but is it not right that there is not the money in the budget at present to pay all pension credit claims, if everyone were to take them up? Is that not a rather cynical move on the part of the Government? They are banking on people not having access to pension credit.

Lyn Brown: It is incumbent on us all to ensure that the people who need the money most get that money. That means that everyone on pension credit is entitled to the money that is owed them. I do not see anyone on either side of the Chamber stating that that is not the case.

Measures such as pension credit have done so much to change the legacy that we inherited, when the greatest predictor of poverty was old age. In contrast, we have lifted almost 2 million pensioners out of poverty, and 3.3 million are receiving pension credit. That is why, on average, pensioner households are £1,500 a year better off than they were in 1997. The poorest pensioners are £2,000 a year better off.

It is a source of pride to me that in West Ham nearly 5,000 pensioners received the additional funding of pension credit, with an average award of £65.41 per week. That is a sign of the difference that the credit is making to the people of West Ham. That sum is nearly the total amount that the previous Administration were prepared to offer.

I am giving way.

Mr. Deputy Speaker: Order. The hon. Lady should be a little more explicit before she resumes her seat, otherwise another Member may have been called and her remarks would have come to a premature conclusion. I think that the hon. Member for Putney (Justine Greening) has been given the opportunity to intervene.

Justine Greening: The hon. Lady has moved on from the point on which I wished to intervene, so I do not intend to interrupt her flow any further.

Lyn Brown: Lower pay often keeps the state second pension and the basic state pension out of the reach of many women. It is a great pity that space was not found in the Bill to include women within its remit. For example, 1.4 million women do not earn enough in a

week to pay national insurance contributions. It is worth noting that anyone earning the minimum wage, working 16 hours a week, will not earn enough to build up an entitlement to the basic state pension. For many women who choose to work part-time to fit in with family commitments, those restrictions guarantee pensioner poverty in retirement.

In seeking to reform our pension provision to meet the needs of the age, our focus must not be limited to those who have capital and the assets to take part in occupational pensions or private savings schemes, or to those who are eligible for large payments upon retirement. We must seek legislation to ensure that in the years ahead all members of our society are offered the security and dignity in retirement that their contribution to our society requires.

11.44 am

John Penrose (Weston-super-Mare) (Con): I support the Bill even though I accept that it does not do everything for everybody, and that there is a much larger issue at stake. It is wrong to oppose it because it fails to do the complete job all in one go. After all, it is a private Member's Bill and is necessarily limited in scope.

I think that the Bill will help three groups in society, which all deserve help, if we can manage it. The first of these groups are people who are trying to buy their first home. I am sure that we all have examples in our constituencies of people who are finding it hard to put together the money to put down a deposit on their first home. My constituency, for example, is within commuting distance of Bristol. The price of houses is rising rapidly and local people, particularly those on lower incomes, are finding it extremely hard to make that all-important and vital first step on to the housing ladder.

Ms Angela C. Smith: I return to my earlier intervention when I made the point that it will be precisely those people on lower incomes who will not be able to benefit from the provisions of the Bill, because they will not have the money in the first place to put into the plan. Deposits are too high and affordable housing has to be the answer for the sort of constituencies that the hon. Gentleman is talking about.

John Penrose: I accept that affordable housing will be part of the solution. However, I do not accept that it is the only answer. I think that the Bill sets out a useful and valuable contribution to helping people get on the housing ladder. It may not be the complete answer, but that does not mean that it is entirely a bad thing to do.

The second group of people who will be helped by this measure are those who have had forced upon them a career break of some sort. This is mainly to do with the opportunity to draw down part of the fund that has been created.

Anne Snelgrove (South Swindon) (Lab): Does the hon. Gentleman not accept that there are huge risks in drawing down a pension, which have been identified in the USA? Only a fifth of those in the USA who opt to unlock their pension fund on changing jobs plan to put their pensions into a new pension. They use the money, as the hon. Gentleman has identified, for housing or for a career break. Tax relief on pension savings is there to provide pensions, not tax release on house buying and adult education. These are areas that need different solutions, solutions that the Government are providing, which Opposition Members always vote against.

John Penrose: I draw the hon. Lady's attention to two points. First, the analogy with the USA is perhaps not an apposite one. The scheme that we are discussing is based on the Canadian model, which does not have the same parameters within which the USA model currently exists.

Secondly—this point relates particularly to adult further education—last night I attended a governors' meeting of my local FE college. There is great concern in the FE sector about the proposals that are being put about by the Learning and Skills Council and the effect that they will have on people who want to take up adult FE courses, particularly at level 3 and above, and the effective cuts in the funding of those courses. If those cuts are to take effect, it is vital that we find other ways of assisting people who are out of work for one reason or another. They may have been made redundant and need to change careers. They may have been forced into leaving their job through sickness and be on incapacity benefit. There are young mothers who are seeking to return to the work force after a period away. All these three groups need some help in returning to the work force. They also need some help in reskilling. Given the Government's current plans, with the Learning and Skills Council, they will not be helped. They need some additional provision. The Bill will help to provide it.

The third group, which is crucial, is that of pensioners. As an MP who represents a constituency with one of the highest proportions of pensioners, I have lost count of the number of pensioners who have complained about the requirement to buy an annuity at 75. In some cases that is the right thing to do, but they think that the lack of choice at that age takes away their dignity and the flexibility to make decisions for themselves. They accept the need for financial stability and, wherever possible, they wish to avoid becoming a burden on the state by drawing down state benefits. However, they want the respect to which their years entitle them, and wish to be allowed to make their own decisions rather than being told what they have to do. The Bill is a valuable and flexible measure that will restore a great deal of that dignity.

Finally, while those important groups in society need help, the Bill will have an economic benefit, as it should help to improve the savings ratio by reducing the number of pension schemes. Last night, I added up my pension schemes—perhaps this is a declaration of interest—and found that I have eight. I would be willing and able to save much more, and I suspect that many other people would too, if our pension schemes could be rolled into one. I therefore support the Bill.

11.49 am

Ms Dari Taylor (Stockton, South) (Lab): I congratulate the right hon. and learned Member for Kensington and Chelsea (Sir Malcolm Rifkind) on securing a high place in ballot. It is important that we discuss new proposals on retirement pensions, which are a serious problem, so he has my warm support thus far.

[Ms Dari Taylor]

The right hon. and learned Gentleman's proposal falls into four distinct parts. First, it suggests that we should increase the opportunities for long-term savings with tax incentives. I have no objections to that proposal save for the reservations that have already been outlined by other hon. Members. The hon. Member for Yeovil (Mr. Laws) dealt with the issue, as did my hon. Friend the Member for Portsmouth, North (Sarah McCarthy-Fry), who spoke eloquently about the problems of poverty that many of us confront day after day. It is the Government's role to prioritise need, but to support a scheme that excludes a large percentage of our constituents would put that role in jeopardy.

Sir Malcolm Rifkind: I am puzzled by the approach taken by the hon. Lady and one or two of her hon. Friends. They say that the Bill excludes many people and is not worthy of their support. Did the hon. Lady take the same view when the Government introduced stakeholder pensions, which are of no use to people in serious poverty because they are unable to make any savings at all? She and her hon. Friends welcomed stakeholder pensions because they help many people on lower to middle incomes, so why does she not take the same view of my proposals?

Ms Taylor: The right hon. and learned Gentleman is right that I supported stakeholder pensions. I did so because they are aimed primarily at the low-paid.

Sir Malcolm Rifkind: So is my Bill.

Ms Taylor: I disagree.

Secondly, the right hon. and learned Gentleman's measure would establish an amount of savings that can be taken from employer to employer. It is a flexible wrap-around measure, as he said, it is problematic. He should have discussed his proposal with the Federation of Small Business and the Chambers of Commerce. He laughed at me for making such a suggestion, but when I introduced the Cardiac Risk in the Young (Screening) Bill I spent three months with cardiac specialists to make sure that my proposals were effective and appropriate. The right hon. and learned Gentleman is well versed in these matters, and he should have adopted a similar approach. We should know what the Federation of Small Businesses says about the additional responsibility imposed by his Bill. Pension funds have been raided not once but many times, which makes us wary about trusting individuals who administer them. Of course, not all of them are at fault, but there have been enough worrying cases to give rise to concern.

Finally, the hon. Member for Bournemouth, West (Sir John Butterfill) is highly regarded in the House as a pensions expert. He said that actuary values were a problem. The response of the right hon. and learned Member for Kensington and Chelsea was not clear, but his own colleagues have already identified complications to which his proposals would give rise.

The third part of the proposal suggests that savings can be taken directly from income. Is it not superb that many of us who are employed could save from income? However, only 13 per cent. of women are eligible to receive a basic state pension. That tells us what their income is, and that they could not possibly save from it. They do not have an income from which to save. They are on low pay or, as carers, on no pay. The right hon. and learned Gentleman would have done the House proud if he had focused on that issue and challenged the authority of the House through his Bill. There would have been great support from Labour Members.

The fourth part is the proposal that savings should remain tax free, as it is savings directly that will achieve a pension. Again, I have no problem with that, but the Bill suggests a drawdown. I take my information from the Conservative website so I can be sure it is correct. Four examples are given. One is that people could take 60 per cent. or £40,000, whichever is the lesser, out of the account. They would have to repay it, though not until at least four years after the date that the money was taken out. If they did not repay the withdrawal, the money would be taxable. If my constituents were able to take £40,000 out of their pensions pot, I wouldn't half feel good. If I could take that sum out of my pension pot, I would feel good.The Bill is supposed to be for people on low and average incomes, but it clearly is not.

Sir Malcolm Rifkind: As I tried to explain in my opening remarks, the figure of £40,000 was not plucked out of the air. We are trying to help lower and middle income people who might wish to purchase their first house. That means paying a deposit. The average deposit for a first-time buyer—not for a wealthy person buying an expensive property—in London, which is the highest expense area, is £31,000. The figure of £40,00 is geared around that level. It does not mean that people must withdraw that sum. That is the maximum that can be withdrawn, in order to help people on low or middle incomes. The hon. Lady has many young married couples in Stockton, South who will wish to purchase their first property and will wish not to be deterred from saving in order to do so.

Ms Taylor: I entirely accept what the right hon. and learned Gentleman says. However good or bad the example is, the opportunity of withdrawing £40,000 suggests to all of us that the proposal has no universal intention. It is only those on above-average incomes who can afford to benefit from the proposal.

I am pleased to have the opportunity to speak in the debate. It is a useful debate, although I disagree with the right hon. and learned Gentleman's proposal. It is important for all of us to consider such a proposal, even if, as I shall do, we gut it and throw it out.

11.58 am

Justine Greening (Putney) (Con): I am grateful for the chance to speak in the debate. I shall start by expelling a few myths that seem to exist among those on the Labour Benches. My constituency, Putney, includes what may be Europe's largest council estate, the Alton estate in Roehampton. I have 12,000 people there, many of whom experience exactly the problems outlined by Labour Members. As their MP, I am determined to represent those people and their interests to the best of

my ability. Of the Labour Members who are promoting private Members' Bills, I see none introducing Bills relating to pensions.

Anne Snelgrove: Labour Members have not introduced private Members' Bills on pensions because we are waiting for the Government's pensions review.

Justine Greening: The hon. Member for West Ham (Lyn Brown) has discussed not jumping the gun, but we have waited a long time for it to be fired—it has been primed, but we are still waiting. Once the final Adair report is published on 30 November, I hope that the Government have the guts to consider introducing the proposals. Given the problems that Labour Members have outlined so eloquently, pensioners and my constituents have waited a long time for concrete proposals. I speak on behalf of not only my constituents, but my generation—the 30-something generation—who tend to move from role to role, generating pensjon pots as they go. Such diverse lifestyles allow some women to come out of work, possibly bring up a family and then return to work.

The Bill would introduce flexibility into system. It is not a complete solution to the pensions crisis in this country, but it is part of the solution and should be welcomed as such, instead of being thrown out because it does not address all the issues. Urgent action is required to address the root causes of the pensions and savings crisis in this country.

The current system is neither simple nor certain, which sometimes prevents people from making financial choices, and the Bill addresses both of those problems. My right hon. and learned Friend has outlined the savings and retirement vehicle, which would allow people to contribute, to stop contributing and to contribute again, and the choices on annuity provision, which include value-protected annuities. Hon. Members should welcome those measures, which should become law.

The Bill addresses the problems that we face in today's Britain. The law must change, because Britain is changing. Britain is a place where people lead diverse lifestyles and have diverse financial situations. All the Bill seeks to do is to give people diverse choices that are simple enough for them to manage throughout their lifetimes. I hope that it becomes law, and I commend it to the House.

12.2 pm

Andrew Gwynne (Denton and Reddish) (Lab): It is a pleasure to contribute to this interesting and wide-ranging debate. I congratulate the right hon. and learned Member for Kensington and Chelsea (Sir Malcolm Rifkind) on securing his place in the private Members' Bill ballot and on choosing this important topic. It is a pleasure to follow the hon. Member for Putney (Justine Greening), who has made a valuable contribution to today's debate.

I shall be brief, because much of what I wanted to say has already been said, particularly by my hon. Friend the Member for Portsmouth, North (Sarah McCarthy-Fry), who made an eloquent speech. Although I have some specific concerns about the Bill, the right hon. and learned Member for Kensington and Chelsea has raised some important issues about pensions and savings that will not go away and which must be discussed.

Whoever won the election on 5 May—thankfully it was my party—knew that they would have to examine the issue very seriously, which is precisely what the Government are doing. As the right hon. and learned Member for Kensington and Chelsea knows, and as other hon. Members have confirmed, the Government set up the Pensions Commission, led by Adair Turner, to consider many of the issues that hon. Members have raised in today's debate. The commission is due to publish its second report in a month's time, and it is right to wait and see what it has to say and place the proposals in the Bill within the context of its findings.

There is a Bill before us that must be debated, however, and there is no hiding from the fact that the United Kingdom is facing a stark demographic challenge. As has been said, we are living longer but tend not to work for longer. People retiring today are likely to spend nearly twice as long in retirement as previous generations did. While it is undoubtedly good news that we are living longer and healthier lives, these demographic changes mean that sadly we cannot rely on the existing pension system to support us in retirement. Therefore, the way in which we meet the challenge of an ageing society and what it means for lifetime income, savings and how long we work is an issue for all of us.

Many Members have mentioned the so-called savings slump. However, there remains a healthy level of saving, and we should not lose sight of that fact. I could say that I am surprised that Conservative Members have not pointed out that back in 1992 the savings ratio reached a peak at 11.5 per cent., but then again, given the reasons behind that, I am not surprised that they have remained quiet about it. Trends in saving are cyclical. When the economy is doing well and people are confident about their future and feel secure, they tend to save less. I am not suggesting that that is necessarily the right thing to do, but it is a fact.

Likewise, when the economy hits the buffers people tighten their belts. I suggest to Conservative Members that back in 1992 people saved more through uncertainty. They were uncertain whether they would still be in jobs as unemployment topped 3 million and factories closed.

Several hon. Members *rose—*

Andrew Gwynne: I will give way to the hon. Member for Weston-super-Mare (John Penrose) when I have finished this point.

People were uncertain whether they would still be in business as insolvency soared, whether they would be able to pay their mortgages as interest rates shot up, whether they would still have a house as repossessions increased, and whether they would have enough money to make ends meet. That is why people saved more in 1992 than in any year since, and I suspect that Conservative Members privately accept that.

John Penrose: Is the hon. Gentleman seriously suggesting that falling savings rates are a good thing and rising savings rates a bad thing? If he is, no economist would ever agree with him.

Andrew Gwynne: Clearly the hon. Gentleman was not listening. I said that it is not necessarily a good thing, but

[Andrew Gwynne]

a fact, that when people feel secure and believe that their future is certain they tend to spend more and save less. It is a cyclical trend.

Greg Clark *rose—*

Andrew Gwynne: I will not give way, as I want to make progress and other Members want to have their say.

Putting to one side that political point, I would like briefly to discuss the proposals from the right hon. and learned Member for Kensington and Chelsea for a savings and retirement account and retirement income fund, which are certainly interesting. Savings and retirement accounts appear to be a wrapper in which people can accumulate long-term savings, mainly for their pensions, while remaining accessible at times of need. On the face of it, the scheme has some clear attractions. But in many ways it is, as the right hon. and learned Gentleman admitted, very much like the Government's individual savings account but operating under the pension tax rules—although the Bill does not outline how that would work in practice, and that requires clarification.

The proposals remain uncosted, and I would be interested to see estimates of the cost of establishing the schemes.

As my hon. Friend the Member for West Ham (Lyn Brown) said, the ISA is the Government's primary method of encouraging savings. Some £180 billion has been subscribed since 1999, and £1.6 billion given in support in the form of tax relief for savers. Perhaps, therefore, it would be more productive to encourage enthusiastically even more people to open an ISA.

The Government also encourage saving through a range of measures including tax relief on employee and employer pension contributions, national insurance relief on employer pension contributions, arrangements to allow those with contracted-out pensions to pay less in national insurance contributions or to receive a rebate from the Government, and the option of taking out a tax-free lump sum when people start to receive their pension.

Mr. Hurd: How does the hon. Gentleman justify his enthusiasm for the Government's track record in this area when the Association of British Insurers' report on the state of the nation's savings tells us that only 12 per cent. of the population think that the Government are doing enough to encourage them to start saving or to save more in a pension?

Andrew Gwynne: Of course, statistics can be quoted either way, and I am fairly certain that there are numerous opinion polls and surveys that would suggest that the opposite was the case.

The right hon. and learned Member for Kensington and Chelsea has put forward some interesting proposals on the retirement income fund, but I have concerns about them, which have been echoed by some of my hon. Friends. My first is that funds built up with the tax privileges should be used to ensure security in terms of sufficient retirement income, and for no other purpose. My fear is that, given that most people's pension pots aggregate at £30,000 or less, some of the proposed changes would benefit only a small proportion of people who are relatively well off.

Mr. Charles Walker (Broxbourne) (Con): Will the hon. Gentleman give way?

Andrew Gwynne: No, I am nearly at the end of my speech.

It is crucial that any changes to the pension rules should ensure that all pensioners benefit and prosper from them. How well we treat all our pensioners—particularly those at the bottom of the scale, not just the privileged few—is a sign of a decent society. That is all that I wish to say about the two schemes set out in the right hon. and learned Gentleman's Bill. This is an interesting debate, and I thank him for enabling us to discuss these important matters. I look forward to extending the debate once the Pensions Commission has produced its report.

12.11 pm

Mr. Nick Hurd (Ruislip-Northwood) (Con): Several Labour Members have spoken with great passion on behalf of those members of society who do not have the resources to save, and that is entirely respectable. However, in their passion, they have been deaf to the purpose of the Bill, which is to address the important issue of how to arrest the collapse of the culture of savings.

I congratulate my right hon. and learned Friend the Member for Kensington and Chelsea (Sir Malcolm Rifkind) on introducing a set of proposals that will address some of the structural barriers to saving, including the complexity and rigidity of pension products, and the inflexibility and poor value of annuities. I also congratulate him on recognising that the savings industry and the Government have to move with the times, and to respond to a new generation of workers who have much greater job mobility and who ask different things of their savings across their life cycle. I represent a London constituency in which the first rung of the housing ladder is looking increasingly out of reach for first-time buyers. To my eyes, the proposals benefit from drawing on the experience of what appears to work in other countries, notably Canada. They are underpinned by a set of principles that I understand, namely choice, flexibility, a desire for simplicity, and a desire to give people more control over their lives rather than increasing their dependency on the state. In doing that, the proposals go with the grain of human nature and aspiration.

The proposals are a persuasive response to a problem, the scale of which is astonishing. The Pensions Commission has warned us that 12 million people are drifting towards inadequate retirement income. In its own words:

"Britain's funded private pensions system is in serious decline".

The Government's own statistics tell us that only 44 per cent. of 16 to 65-year-olds have a private pension. That is 300,000 fewer people than only four years ago. The hon. Member for Denton and Reddish (Andrew Gwynne) echoed the astonishing remarks of the Chief Secretary to the Treasury at Treasury questions last year, when he seemed to suggest that a collapse in the

savings ratio was a symptom of economic success. There is no room for complacency when the Association of British Insurers' report on the state of the nation's savings tells us, as I said earlier, that half the population feel that they do not understand pensions, and that only 12 per cent. think that the Government are doing enough to encourage them to start saving or to save more in a pension.

All this is hugely important for public finances, because if this trend continues, the taxpayer will have to spend more on means-tested benefits or on raising the state pension. It is also important for our sense of social justice, because we are heading in the direction of much greater inequalities in retirement provision. It is also hugely important for the competitiveness of our economy and for our quality of life. When we consider what the country is going to have to spend on upgrading its transport and energy infrastructures, and when we consider the implications of longer life expectancy and medical advances on our expenditure on health provision, it is increasingly obvious that this country will need to look to private capital and private savings to bridge the investment gap. However, the trend is going in completely the wrong direction.

These proposals chime with my own sense of priority, my own personal experiences, and the voices that I hear in my constituency. I particularly welcome the proposals to allow employers' pension contributions to be paid directly into a pension scheme of the employee's choice.

Like my hon. Friend the Member for Weston-super-Mare (John Penrose), I can confess that I, too, am guilty of high proliferation and low persistence. At the tender age of 43, I have four of those very modest pots, so I welcome the prospect of people being able to keep all their accumulated pension funds in one simple, accessible vehicle, particularly with the introduction of a flexible pension-regulated product such as SaRA, whose very name should at least endear itself to the Chancellor.

I also welcome what appears to be fresh thinking on the old chestnut of annuities. I, too, hear persistent messages from my constituency. The first is, what is the point of saving when the person who does not save receives the same amount from the taxpayer via means-tested credits? The second is resentment at having to buy a life annuity by the age of 75.

That resentment involves not having freedom of choice and it is fuelled by the fact that people consider annuities a bad deal—illiquid and inflexible, they provide a low return and are undermined by the inability to pass on a pension pot if the person dies after what looks like an arbitrary cut-off age of 75. I therefore recognise the retirement income fund—RIF—as a product that moves the debate on in the face of a long-term problem. I sincerely believe that only a bipartisan approach will solve it.

I hope that the Government are big enough to recognise that these proposals add enormous value to the debate.

12.16 pm

Barbara Keeley (Worsley) (Lab): Like many of us here this morning, I do not claim to be any sort of expert on pensions but, as a fairly new MP, I understand the need to get the future of pensions right. There are factors that we have to balance. The first, which has been referred to, is increased life expectancy. The second is an ageing population. The burden of paying for services for that ageing population will be borne by a smaller group of those of working age. For me, the politics of pension reform is just as important as the policy itself.

As we can see from the attendance this morning, there is an increasing interest in the national pensions debate, especially the issues involving women and carers. Developments in pensions must address those groups in particular. My party's manifesto for the May 2005 election stated:

"We need to forge a national consensus about how we move"

to a pensions system that is right for tomorrow's pension problems.

What is the pensions situation now? I contend that it is not one of crisis, as some Conservative Members have said this morning, but it is recognised that there are problems. There are concerns about overall pension provision and future pensioner incomes. Our concern is to lift more pensioners out of poverty. A great deal has been done to achieve that, but more needs to be done.

Our pensions environment is complex, as many Members have said—particularly for those who have four, or even eight, pensions to juggle. Over the coming decades, it is clear that there will be a sustained increase in the proportion of older people in the population. If we seek to maintain or increase pensioners' income, the share of national income going to them will rise. That rise will clearly have to be paid for by the shrinking population who are of working age. Such a settlement between the generations means that there must be a consensus on how to go forward on pensions reform.

The Finance Act 2004 made changes to the resulting system for pensions, which is due to come into force in April next year. It relaxed the rule concerning taking an annuity at 75. The Act allows people to take an alternatively secured pension. At the heart of the debate on compulsory annuities or whether to allow income drawdown after the age of 75 seems to be the issue of whether a pension scheme provides an income stream for a pensioner or whether it is designed to allow build-up of capital, which can be passed on to heirs.

When that matter was debated in 2004, my right hon. Friend the Secretary of State for Education and Skills said on behalf of the Government that offering

"additional incentive for higher rate taxpayers to pass their pension funds down through the generations could have significant behavioural effects".

With more being saved in pensions than is currently the case, she said:

"Inland Revenue estimates suggest that that could cost hundreds of millions of pounds."

She concluded that removing the requirement to take an annuity at 75 and allowing pension funds to pass on through the generations

"would . . . be to the detriment of . . . ordinary pensioners"

and would

"cost the Exchequer hundreds of millions of pounds."—[*Official Report, Standing Committee A*, 8 June 2004; c. 489–90.]

I do not think that that is the right to choice to make on pensions reform, and nor do I think that it would command a consensus nationally. Clearly, this Bill would help the top 5 per cent. or so of the population.

Justine Greening: Will the hon. Lady give way?

Barbara Keeley: No, we are very short of time.

[Barbara Keeley]

On pensions reform, the real priority is to address the pensions shortfall for carers and the pensions gap for women. As to the choices facing the UK with regard to pension provision, given that we want to improve the position of pensioners relative to the rest of society, we will need a mix of higher taxes, national insurance contributions, higher savings and a later average retirement age. To take pensions reform forward, any such option requires trade-off, for which we need a public consensus. Whatever the merits of the options in the Bill, I do not believe that they can gain that consensus, as they are really about prioritising the creation of better retirement choices for the wealthy. As the Secretary of State for Education and Skills said, such proposals would cost the Exchequer hundreds of millions of pounds. Our priority now should be women and carers. I want to refer briefly to why carers should be a priority consideration in relation to pensions reform and any extra funding from the Exchequer.

A key aspect of pension savings is length of working lives. While there is a national debate about the rise in retirement ages, carers are a group who curtail their pensions in retirement by voluntarily cutting the length of their working lives to take on a caring responsibility. The working lives of some carers, many of whom are women, are cut short in two ways: after losing years of their working lives in their 20s and 30s to have and care for children, they find their working lives curtailed again in their 50s when they take on caring for elderly relatives or spouses who become ill or disabled. Nationally, carers organisations find that that is increasingly a pattern. In taking on that caring role, carers are saving the health and social care economy a substantial amount, and they can also offer a more personal and flexible type of care than paid carers and nursing staff.

It is interesting that the right hon. and learned Member for Kensington and Chelsea (Sir Malcolm Rifkind) told us that he wanted to put provision for carers into his Bill. Perhaps the Bill could then have been called the rights of carers Bill. I am afraid that it will not impress carers that he did not do so, because there have been three private Member's Bills enhancing the rights of carers since 1997, all of which have been put forward by Labour Members. Addressing the issue of new and better pension provision for carers must be a key priority for pension reform, and would certainly command more of a consensus nationally than the provisions of this Bill. While, clearly, it is attractive to encourage saving through new savings vehicles, I support the Government's view that privileged pension saving must be used for retirement income for life, and not for other purposes. My priority would be to focus on the bigger issues of the pension shortfall for carers and the pensions gap for women, and not to prioritise pensions choices in retirement for the wealthiest strata of society.

12.23 pm

Greg Clark (Tunbridge Wells) (Con): I warmly welcome the Bill brought forward by my right hon. and learned Friend the Member for Kensington and Chelsea (Sir Malcolm Rifkind) and shall make some brief, spontaneous suggestions on how it might be taken forward in Committee.

Both sides of the House agree that the key to solving the pensions and savings crisis is to make sure that those who need savings and income in retirement most make provision for that. The shocking state of affairs today is that the median level of financial assets across the country is just £750—that is what the average person has in financial assets during their life. Moreover, 11 per cent. of the population have no financial assets whatever. Therefore, if we are debating saving, it is important that we focus our efforts on what we can do to make sure that those people have some kind of buffer to fall back on.

Two issues arise from that. The first is whether the use of tax relief is the best way of incentivising saving. Traditionally, we have fallen back on tax relief as the standard method to encourage people to do one thing rather than another. People who are on low incomes and in irregular employment do not pay much in tax, however, so encouraging them to save for their retirement through tax relief might not be as effective as some other ways.

Consistent with the Bill is an approach based on a cash incentive involving no discrimination relating to the level of earnings. Everyone can benefit from savings to the same extent. There are variants, such as a one-to-one match, which makes it clear that saving for retirement—or indeed for a rainy day—will be rewarded by the Government. Paradoxically, we consider it necessary to reward high earners to the tune of 40p in the pound in tax relief to encourage them to save, while penalising those who do not pay tax, through the withdrawal of benefits, to a comparable degree—about 40p in the pound. I hope that the Bill will give us a chance to remedy that gross anomaly, which is depriving many of our constituents of savings to fall back on.

Another innovation introduced in the Bill is flexibility in saving for retirement: the ability to withdraw funds. My right hon. and learned Friend explained the circumstances in which people would be able to withdraw from pension funds, but I urge him to go a little further. Members of my generation—people in their thirties, or perhaps their twenties or forties—are used to a degree of flexibility in their lives which the old pension savings arrangements do not recognise. People in their twenties and thirties may have a few pounds left at the end of the week, and may feel inclined to save it for their retirement. Saving it in a pension fund means locking it away for 30 or 40 years, never to see it again until then. In an age of flexibility, that is a considerable disincentive to saving in the first place.

There is a principle that I call the Marks and Spencer principle. In happier times, Marks and Spencer used to do quite well as a result of a sales tactic. People who bought items knew that they could return them and get their money back. That made them more likely to buy, say, a jumper in the first place. I think that that principle can be applied to savings. If we are flexible and allow people to save whatever extra pounds they have at the end of the week for their pension funds, and to withdraw the money in the circumstances described by my right hon. and learned Friend but also in any other circumstances, I believe that just as Marks and Spencer found that most people kept the jumper rather than returning it, most of our constituents would save the money and find it there when they retired. They would have the comfort of knowing, however, that they would not lose their ability to be flexible in years to come.

I have made those two brief points in commendation of my right hon. and learned Friend's Bill. I wish it well in Committee, and I should be delighted if it could be taken a little further to deal with my points.

12.28 pm

Ms Diana R. Johnson (Kingston upon Hull, North) (Lab): I, too, congratulate the right hon. and learned Member for Kensington and Chelsea (Sir Malcolm Rifkind). I had some fun trying to get to grips with the Bill, but I have a difficulty with it.

Like many of my hon. Friends, I look forward to reading the recommendations of the Turner commission at the end of November. I think that the commission has the most sensible approach to dealing with the complex issue of pensions and savings. As Members will know, it has already produced an interim report, identifying four areas that we should examine. The first option is to do nothing, but I think all Members will agree that that is not actually an option. The second is to increase tax and national insurance contributions, and will provoke a healthy debate among all parties. The third, which conforms with the Bill, is to increase individual and employer savings through pension schemes and other savings opportunities. The fourth option, which will also generate a great deal of debate, is for people to carry on working for longer. Members will want to discuss that in some depth, given that many are over the normal retirement age and will wish to continue serving their constituencies for many years beyond 60 or 65. That is an issue that we need to think about.

Norwich Union conducted research into why people do not want to carry on working beyond the normal retirement age. It found that many, particularly those in the 45 to 55 age group, felt that there were a number of barriers to carrying on in work that they enjoyed. That should give us all pause for thought. Next year, provision will be made for the outlawing of age discrimination. Many employees want to carry on working beyond the normal retirement age and that should be encouraged, but I am sure that we will return to this debate in due course.

I want to deal with certain of the Bill's clauses. It is not clear to me how the savings and retirement account will simplify provision for ordinary members of the public. As has already been said, pensions and savings provision is very complex. I found the SaRA difficult to understand, and I am not sure in what way it will simplify matters. We have heard how successful individual savings accounts have proved since 1999. Some 16 million people now have ISAs, and we must reflect on that success. Moreover, the SaRA has not been costed; how much will it cost to implement? We also need to bear in mind the costs that allowing people to contribute through the payroll will impose on small businesses in particular.

Mr. Harper: Will the hon. Lady give way?

Ms Johnson: No, I shall carry on, as I want to be brief.

Clause 5's list of opportunities for people to draw down is rather limited and needs to be looked at again. As has been said, other issues and events occur in people's lives that might cause them to want to access their savings. The Canadian model of the retirement income fund, which has been referred to, covers only one third of the Canadian work force and concentrates on those with above-average earnings. We must be mindful of that point.

I welcome the opportunity to participate in this debate. However, the Bill is very premature and I hope that Members will agree that we need to return to the proposed provisions at a later date, in the light of the Turner recommendations.

12.33 pm

Mr. Tobias Ellwood (Bournemouth, East) (Con): I am very grateful to my right hon. and learned Friend the Member for Kensington and Chelsea (Sir Malcolm Rifkind) for bringing this Bill to the House. We have had a very interesting debate and Members in all parts of the House have put forward their views on pensions. I hope that the Minister has taken stock of the passionate views that have been expressed, and that he recognises that, whatever our views on Britain's pension situation, it cannot stay as it is and it needs to be resolved.

We heard a lot about pensions during the general election, including the Government's big announcement to pensioners: a one-off payment of £200 towards the council tax. I hope that the Minister will provide something a little more concrete for pensioners. Some six months after the general election, we have still yet to hear anything concrete, and it has taken a private Member's Bill for us to have a proper debate on these issues.

Many references have been made to the previous Tory Government, the events of the early 1990s and the achievements of the Labour Government, but we cannot get away from the fact that in 1997, we had a pension system that was the envy of Europe. Today, that is not the case. More than 1 million pensioners are not receiving the benefits that they deserve, because the system is too complicated.

The burden that we now face is that the younger generation—my generation—do not consider sorting out their pensions to be a priority. That is fundamentally wrong. For the people of my generation, as we have heard, property is a far greater concern. We are concerned with getting on to the housing ladder, not looking to sorting out our pensions. The Bill challenges and provides a way of rectifying the problem.

Property and education are important. I reiterate a point made earlier—that adults who want to change direction in life and do something different no longer receive money from the Learning and Skills Council to help them. The Government have stripped that support away, so people can achieve that objective only by using their own savings.

Labour Members frequently make the point that money put into a pension system must be used when people retire, but what is wrong with saying, "Yes, of course I need to save for when I retire, but I also need some money right now to invest in a property or spend on education"? Will the Minister deal with that issue, because education and property are as important as a pension is in the future?

Comments about stocks and shares also need to be qualified. It is often implied that they are the bastion of the middle class and are used only by people who have

[Mr. Tobias Ellwood]

lots of money. No matter how much someone wants to save—whether it be £5 in a basic savings account, much larger sums or even an ISA—we need to ask what the banks and building societies do with the money. They put it into stocks and shares; that is exactly where it goes. Anyone who has a mortgage needs to know what the bank or building society does with the money: it goes into stocks and shares. If the Government change national insurance contributions or raid pension funds to the tune of about £5 billion every year, it has a ripple effect right across the pensions system. That is one of the reasons why we are where we are today.

I agree with my hon. Friend the Member for Ruislip-Northwood (Mr. Hurd) that it is false to believe that the Bill is about looking after only one slice of the electorate or the middle class. That is completely wrong. If hon. Members read the Bill carefully, they will see that it does not replace one bit of pensions legislation, but adds to it and develops further pension options, simplifying the system to provide a clearer and more transparent way of saving. What is wrong with that? The Bill provides a simpler way to save, grouping things together and drawing in the employer as well.

If we are to have a full debate about the issues, we need to expand. Labour Members are looking to crush the Bill, but I hope that the Minister will give it further time. We need to debate further issues that came up in the general election campaign, which we do not hear much about now—for example, a review of capital gains tax or the phasing out of means-testing, linking pensions to earnings or introducing free care for the elderly. The biggest burden facing pensioners is, actually, council tax. We need a proper review of that tax and its effect on pensioners, which is greater than all the other things that we have mentioned today.

I greatly welcome the Bill. It is workable and long overdue. It will improve our pensions system, which has been an embarrassment up to now and needs to change.

12.38 pm

Ms Angela C. Smith (Sheffield, Hillsborough) (Lab): We have heard a lot today about people on low incomes. I congratulate the hon. Member for Ruislip-Northwood (Mr. Hurd) on showing some sensitivity on the Conservative Benches in recognising the problems that people on low incomes face when it comes to saving for retirement. It should be placed on record now that people on low incomes or with broken records of employment find it extremely difficult to save on a regular basis.

The hand-to-mouth culture in working-class communities has not disappeared. It is so difficult for working-class people on low incomes to save, and they often discover, as the Liberal Democrats acknowledged, that money is needed at crisis points in life in order to survive. If the Bill were to be placed on the statute book, the danger is that it would encourage people on low incomes to believe that they could save for a pension, only to find that, because they had to draw on the funds to meet those crisis needs, they had no pension to draw on in later life. That is exactly where we are at the moment, which is why the Turner commission provides the right way forward.

The Bill is a buy-now, pay-later option. As my mother would tell me, it is robbing Peter to pay Paul. In her darker moods, she would probably quote Mr. Micawber at me, emphasising the need to equate expenditure and income and to balance happiness and misery. That is often the reality of the lives of working class people, in which the difference between poverty and a reasonable existence is so fine.

On the pensions issue, the hon. Member for Putney (Justine Greening) made more than one reference to the 20 and 30-somethings, the Bridget Jones generation, about which we hear so much. She mentioned that many 30-somethings want the flexibility to organise their finances and their lives as they see fit, but the reason they have the luxury of that flexibility is because this Labour Government have delivered macroeconomic stability and family-friendly policies that allow career breaks. It is the 40 and 50-somethings who do not enjoy that luxury. My generation was seared. We are scarred with the memories of the instability that we faced in the early 1980s, when most of us had cracked or broken records of employment because millions of people were made unemployed at that time. Those of us who came to maturity in the late 1970s and early 1980s still face the black hole in our pensions created by the economic instability of the early 1980s, because we do not have provision built up in our funds.

Mr. Binley: I want to be sure that I know what the hon. Lady means when she talks about the instability of the late 1970s and early 1980s. Is she referring to the situation when Mr. Healey, the then Chancellor of the Exchequer, increased interest rates to 27 per cent. because of the borrowings from the International Monetary Fund?

Ms Smith: I am referring to the many activities in the early days of the Thatcher Government, when we saw 3 million unemployed, high levels of inflation and people in cities such as Sheffield thrown on to the scrap heap because your Government—

Mr. Deputy Speaker (Sir Michael Lord): Order. First, it is important that we use the right parliamentary language. Secondly, we are not having a macroeconomic debate this morning, but discussing the rights of savers. The hon. Lady should return to that issue.

Ms Smith: I apologise, Mr. Deputy Speaker. I was led down that path by the intervention. I return to my point that macroeconomic stability is important in delivering the right pension settlement for the future. We need the outcome of the Turner commission and the right structural arrangements to provide for the future, as the right hon. and learned Member for Kensington and Chelsea (Sir Malcolm Rifkind) made clear, but we also need above all the economic stability that will allow people to build up their own prosperity for the future.

12.43 pm

Mr. Edward Vaizey (Wantage) (Con): I am grateful for the opportunity to speak in this debate. The hon. Member for Sheffield, Hillsborough (Ms Smith) suggested that her generation was seared, but—to use another cooking analogy—my generation has been

stuffed by this Government as far as our pension provision is concerned. When I look at the Government's record in the past eight years, I sometimes wonder whether they are as hostile to savers as they are to smokers. The Government have done everything possible—short of banning the purchase of a pension in a public place—to discourage saving.

Vera Baird: I am sure that the hon. Gentleman is about to embark on a serious analysis of the problem and he will therefore be unable to refute the point that, inevitably, the gross pensions mis-selling presided over by the last Tory Government shattered people's faith in saving and we are doing all that we can to rebuild it.

Mr. Vaizey: I am concentrating on the past eight years, and we are having a pensions review because of the failure of those years. It began even before the Government came to power, during the 1997 election campaign, when Labour rubbished the proposals of my right hon. Friend the Member for Hitchin and Harpenden (Mr. Lilley) for basic pensions plus, which over a period of a few years would have put a fully funded state pension in the hands of every worker in this country. The Labour Government attacked that as the privatisation of pensions, pushed it into the long grass and proposed no alternative. They then appointed a far-sighted and radical Minister for Welfare Reform—so far-sighted, so radical, so talented and such a threat to the Chancellor that he was sacked after a year. They then introduced a pensions tax of £5 billion a year, which not only hit pensions directly but stuffed the stock market, costing about £150 billion in share values over the past eight years. They abolished TESSAs and PEPs out of spite.

Mr. John Hayes (South Holland and The Deepings) (Con): Before my hon. Friend moves on from referring to the right hon. Member for Birkenhead (Mr. Field), will he draw to the Minister's attention the right hon. Gentleman's comments on the Government's record? He has been among the chief critics of the Government's record on pensions and particularly of the failure of stakeholder pensions to benefit the target group. Perhaps my hon. Friend will invite the Minister to deal with that matter when he sums up the debate.

Mr. Vaizey: I certainly accept my hon. Friend's comments; in fact I will incorporate them in my remarks. He is right: the stakeholder pension was a damp squib. One hears the pious nonsense preached by Labour Members about the need to help those on low incomes and the financially excluded, but the stakeholder pension has helped only the middle classes and the latest initiative allows people to put their second home into a pension. That, I am sure, is welcomed in low-income households throughout the country, which are only now planning to purchase a second home.

As I said earlier, the Consumer Credit Bill contains no measure that would really help the financially excluded. There is no definition of "unfair" to help them avoid unfair contracts. There is no cap on interest rates, so loan sharks remain free to go about their business. If ever a Bill missed its target and failed to take an opportunity, it is that Bill.

For the benefit of Labour Members, I point out that a pension is not necessarily a complicated instrument. It is simply a long-term savings instrument. All one asks from a pension is that when one is working one can put aside enough money, over the years, to have sufficient income when one retires. The Government help by providing tax incentives, not only to incentivise saving but to top up those savings. A pension should be a very simple product, and there should be every incentive for people to save.

People do not save because, as my hon. Friends have pointed out again and again, they do not want to lock up their savings 30, 40 or 50 years before they have access to them. They want flexibility: a simple product; a one-stop shop where they can make savings which can be used at key moments in their life which, in the 21st century, include purchasing a first home, returning to education and retiring on sufficient income.

Vera Baird: Will the hon. Gentleman be so kind as to help me understand how, by the time a person is anxious to purchase their first home, they are supposed to have saved through this clever scheme £40,000 on which they can draw?

Mr. Vaizey: There is a counsel of perfection among Labour Members which is epitomised by the hon. and learned Lady. My answer is that I do not know, but perhaps a person would have saved if they had a long-term savings product with tax incentives—they do not have that at the moment. As the hon. Member for Yeovil (Mr. Laws) pointed out, in the debates on child trust funds his party sensibly proposed that people could simply roll the child trust fund into a long-term savings product. Perhaps if Labour Members adopted the principles in the Bill, someone aged 25 who had been saving since birth would have, with tax incentives and contributions from parents and relatives, enough for a deposit on a home. It is ridiculous simply to dismiss the idea and say, in a mocking way, that people could not possibly have enough money. This is a good plan; it is welcome and it is long overdue.

Ms Angela C. Smith: The hon. Gentleman suggests how people born now might be able to afford to buy a house, but what would he do for those who are reaching maturity now? How many years will it take someone on £12,000 or £15,000 a year to save the deposit necessary to buy a house?

Mr. Vaizey: I never opposed the child trust fund. How ironic that the Government propose a saving scheme for babies but oppose one for my generation. Why not adopt the principles behind the child trust fund? Labour Members talk constantly about social exclusion and say that the scheme proposed in the Bill will not work because people on low incomes will not be able to use it, yet the Labour Government created the child trust fund for precisely that purpose. I urge Labour Members to adopt those principles, to vote for the Bill and to have the vision at last to create a long-term savings scheme for everyone in our country.

12.51 pm

Anne Snelgrove (South Swindon) (Lab): The right hon. and learned Member for Kensington and Chelsea (Sir Malcolm Rifkind) started the debate in fine

[Anne Snelgrove]

rhetorical style, for which I thank him. His was an impassioned, interesting and well delivered speech. I do not agree with much of what he said, however, so I will take lessons from him in rhetoric, but not lessons in content.

The Rights of Savers Bill does not respect the rights of taxpayers or the wishes of the majority of pensioners and working people, especially women. Conservative Members should look at the Government Benches and see how many lady Members are present here. We have a passionate interest in pensions for women in this country and are greatly concerned about solving the problems in that area. I recommend that you look at your own Benches and see what you can do about women's representation—

Mr. Deputy Speaker: Order. I repeat what I said earlier: hon. Members must use correct parliamentary language.

Anne Snelgrove *rose—*

Mr. Ellwood: Will the hon. Lady give way?

Anne Snelgrove: No. We need to make progress.

The Bill does not respect the Government's consensus approach to pensions reform. Getting the politics of pensions reform right is as important as getting the reform itself right. Consensus is important because we need to make changes that are durable in the long term, so let us stick with what the Government are doing—the ongoing national pensions debate and the Pensions Commission report—rather than take up a Bill that represents the Opposition's fourth attempt in the same mould in recent memory.

Labour Members have identified the many savings plans and important measures that the Government have introduced in recent years, including generous tax reliefs granted on pension savings in particular, to encourage people to provide themselves a secure income on retirement. However, the purpose of the tax relief on pension savings is to provide pensions; it is not to enable people to accumulate money to pass on to their heirs, or to allow them to save up money to spend on another purpose altogether, as the Bill would do.

Savings and pensions are as important in South Swindon as they are in Kensington and Chelsea, but perhaps the number of people in Chelsea with pension pots of more than £30,000 is very high. When the Labour candidate in that constituency, whom I know well, was campaigning in the general election, she issued a leaflet saying that she was running on policies that benefited the majority of people rather than the millionaires. She received a sack load of complaints from the millionaires, so I think we know where the right hon. and learned Gentleman is coming from. His Bill is about slush funds for rich people.

People in my constituency, many of them women, have told me that under the pension credit system they are better off now than they have ever been in their lives. Some 3,500 pensioner households in South Swindon are benefiting from pension credit, with a local average award of more than £40 a week, and most of the beneficiaries are women—but we do not stand still.

Before I judge the Bill, I ask a series of questions. Is it fair to me and to others? Does it reward responsibility and discourage irresponsibility? The answer to both questions is, no, it does not. In the context of the ongoing national pensions debate, the Bill is an interesting sideshow, but we will wait for the Pensions Commission to publish its second report. We will go for consensus rather than this con.

12.55 pm

Mr. Nigel Waterson (Eastbourne) (Con): I hope that the hon. Member for South Swindon (Anne Snelgrove) feels better after that. It is interesting that she, like almost all Labour Members today, effectively attacked the Bill from the left. She described the Bill as an interesting sideshow when potentially it will benefit tens of millions of people. Her description of it was extraordinary. I do not think that it bodes well for the Government's likely response to Lord Turner's final report.

I begin by congratulating my right hon. and learned Friend the Member for Kensington and Chelsea (Sir Malcolm Rifkind) on his good fortune in securing the Bill high up the pecking order of private Members' Bills, and on his elegant manner in describing it from what one of our former colleagues described as the icy wastes of the Back Benches. It was a bravura performance.

I declare an interest as having my own private pension provision. I am sure that that will produce moans from Labour Members.

For eight years, the Government have presided over a pensions crisis of unprecedented proportions and a collapse in savings. At times they have appeared to be entirely paralysed by indecision. Meanwhile millions of our fellow citizens are in real danger of being condemned to relative poverty in their old age. It is to the Conservative Opposition that people have to come and to whom the British people must come to look for fresh thinking, radical ideas and bold proposals.

Only this morning, we have seen the press reports of the Office for National Statistics. The figures that they contain are chilling. They show that only about half our fellow citizens are making pension provision, that the number of generous final salary schemes has halved in the past four years and, echoing what the Pensions Commission has said, that some 12 million workers are not saving enough, or even at all, for their retirement. I echo the words of Patience Wheatcroft in *The Times* today. She said of my right hon. and learned Friend:

"His sensible proposals deserve all-party backing. The Government has said that it is seeking consensus on pensions: now is the chance to provide it."

There have been interesting contributions from a number of Members. I cannot do them all justice. The hon. Member for Yeovil (Mr. Laws), who spoke on behalf of the Liberal Democrats, raised some issues and concerns of his on tax relief. That is not an issue that can be dealt with centrally while discussing the Bill. He spoke also about incentives and drawdown.

My hon. Friend the Member for Weston-super-Mare (John Penrose) is already building a reputation in work and pensions matters. He spoke with particular authority, especially on the funding of further education for older students. My hon. Friend the Member for Putney (Justine Greening) made a thoughtful speech, by

contrast, if I may say so, with blundering through the handouts from the Government Whips, which has happened during much of the debate. I have already said that much of the attack on the Bill has come from the left rather than from the middle ground.

My hon. Friend the Member for Ruislip-Northwood (Mr. Hurd) made the point that the Bill goes with the grain of human nature, something that has always been the fundamental backing of Conservatism. My hon. Friend reminded us of the 12 million people without provision for their retirement.

My hon. Friend the Member for Tunbridge Wells (Greg Clark) made excellent points on the tax incentive system and stressed the real importance of encouraging saving. My hon. Friend the Member for Bournemouth, East (Mr. Ellwood) brought together the issues of young people and attempts to get on the housing ladder, both of which are dealt with cleverly by the flexibility contained in the Bill. Finally, my hon. Friend the Member for Wantage (Mr. Vaizey) eloquently described the way in which the Government's policies have damaged pensions over the past eight years.

I do not think that it is my task to go over all the ground that my right hon. and learned Friend covered in his excellent opening speech. However, it is worth touching on some of the central advantages of the proposed legislation. First, there is the savings and retirement account, which combines simplicity, flexibility and accessibility. Crucially, consumers would have genuine choice about provision for their retirement. The requirement on employers to provide access to the SaRA scheme is extremely important. The fact that payments can be transferred from previous pension schemes to a SaRA has many advantages for individual savers. My right hon. and learned Friend avowedly based his proposals on the Canadian system, but Conservative Members have learned many lessons from the 401(k) pensions system in the USA. It, too, is based on simplicity and flexibility, and allows a drawdown of pension funds for major life events such as house purchase and educational costs. It works extremely well, and has achieved a high penetration among the work force, largely because of its simplicity.

My right hon. and learned Friend has struck a commendable balance between the need to encourage genuine long-term pension saving and the provision of flexibility so that people can withdraw substantial amounts of money for major life events. Clause 5 allows money to be withdrawn to purchase a property, but only if it is someone's principal residence. That contrasts with the Chancellor's generous provision for second homes, perhaps in Spain, under self-invested personal pensions. My right hon. and learned Friend's proposals allow for the purchase of property for a child and for the funding of education, as pointed out by my hon. Friend the Member for Weston-super-Mare, speaking from his experience as governor of a further education college.

Retirement income funds—RIFs—are based on the Canadian experience. On retirement, individuals, regardless of their age, can choose whether or not to convert their pension savings into an annuity or a retirement income fund. By contrast with annuity arrangements, capital as well as income can be withdrawn from the account, with the proviso that people cannot blow the cash in their retirement pot and become an unnecessary burden on the taxpayer and the benefit system. That thread runs through all private Members' Bills on annuities introduced by Conservative Members, and it demonstrates the importance of the minimum retirement income.

At least one Government Member was outraged by the fact that someone could name a spouse, a common-law partner or one of their children to receive their RIF assets on death, with those assets being transferred on a tax-deferred basis. We believe in passing on hard-earned wealth to the next generation, and I am surprised that some Government Members still take offence at that. As my right hon. and learned Friend pointed out, the question of annuities is an anomaly only in the United Kingdom. No other country, as far as we know, has a system of compulsory annuitisation. The USA and Canada do not, and neither do comparable economies across the world. Why should we retain the absurd notion that at the age of 75, if not before, people are obliged to act under the requirement, unless they belong to the Plymouth Brethren, whose members can avoid it and whose numbers, I suspect, are rising dramatically as we speak? Why should people be put in that position when it is their money, saved from hard work over many decades?

My right hon. and learned Friend has introduced practical proposals on pension proliferation. Ministers should not find it difficult to accept those provisions, which are a sensible step to meet the needs of the modern era, in which people move from job to job. My hon. Friend the Member for Ruislip-Northwood made an eloquent argument for such arrangements, but he is not untypical, as many people change jobs several times and acquire a number of small pension pots.

As I said, we must look at the Bill against the background of a collapse in savings, the fact that many millions of people are not saving anything like enough for their retirement, and consumers' need for greater choice and greater control over how they structure their retirement.

In conclusion, my right hon. and learned Friend's Bill is especially attractive because it benefits a series of different groups in our society. Previous attempts have concentrated on the annuities issue, important though that is. The Bill will benefit older people—those nearing the age of 75—plus those still in work who have a variety of separate pension pots. It will also benefit young people, who are strongly turned off the concept of pensions. For young people in work or perhaps just starting work, who are looking for simple, flexible and easy to understand savings vehicles, the SaRA will be an excellent scheme. I am delighted to be a sponsor of the Bill and, on behalf of my party, I wish it a fair wind.

1.6 pm

The Minister for Pensions Reform (Mr. Stephen Timms): It is a great pleasure to take part in the debate, which has been much more enjoyable than I anticipated, thanks to some lively and thoughtful contributions from Members in all parts of the House.

I join others in congratulating the right hon. and learned Member for Kensington and Chelsea (Sir Malcolm Rifkind) on his success in the ballot for private Members' Bills and on his choice of topic for the Bill. It covers a range of complex issues which address concerns that are of great importance to many and to the

[Mr. Stephen Timms]

Government. I congratulute the right hon. and learned Gentleman and others who have contributed to the debate on the clarity with which they set out their arguments. It has been a thoughtful, well informed and enjoyable debate.

My hon. Friend the Member for Portsmouth, North (Sarah McCarthy-Fry) was right to remind the House of the dramatic and welcome reduction in pensioner poverty since 1997. She pointed out that there were hundreds of thousands of single pensioners in 1997 whose total income through income support was £69 a week. Today everybody who is a single pensioner is entitled to an income through pension credit of at least £109 a week, and there has been a sharp fall in the proportion of pensioners who are below the threshold for poverty, as a result of that change in particular. The proportion of pensioners in relative poverty has fallen dramatically at a time when income through earnings has risen sharply. My hon. Friend the Member for South Swindon (Anne Snelgrove) made that point powerfully.

My hon. Friend and neighbour, the Member for West Ham (Lyn Brown), was right to emphasise, as did many of my hon. Friends, the importance of a solution to the pensions challenge ahead of us that works for everybody, not just for some. We set up the independent Pensions Commission chaired by Lord Turner to make recommendations on how to achieve that. The commission will publish its final recommendations in just over a month, so it is not a long time to wait. Also, over the past few months we have engaged in a national pensions debate around the country, which we want to continue over the coming months.

That debate is vital for raising awareness of the tough choices that we need to make in the near future. We want people to have a good understanding of the options available to us and to build as broad a consensus as possible, so that we can develop a solution that people can be confident will last for the long term. I welcome the opportunity today to pursue that debate and to help build towards a consensus. My hon. Friend the Member for Worsley (Barbara Keeley) rightly highlighted the importance of the consensus that we are aiming for, and to do that through the vehicle of today's Second Reading debate.

Mr. Hollobone: A number of Labour Members have pointed out the importance of waiting for the Turner report and the need to establish an all-party consensus on pensions. Why therefore have the Government already made an announcement about pensions in the public sector?

Mr. Timms: The Turner report will address pension saving across the economy. Separate negotiations needed to be held on public sector pension schemes, and an announcement was made about some of those schemes the other week. The Turner commission is addressing the whole question of pension saving for the work force and people of working age, and, as the hon. Member for Kettering (Mr. Hollobone) has reminded us, it is important to wait for the outcome of that work because everybody who has been in touch with the members of the commission has been impressed by the thoroughness with which it has set about its task. I am confident that the commission will make a valuable contribution to the debate, and hon. Members will understand that my response on some of the detail of the Bill will be somewhat circumspect ahead of receiving the results of its work.

Mr. Ellwood: We have waited eight years for something substantial from the Government, and now we must wait for the Turner report, too. Will the Minister let us know how long we must wait after the conclusion of the Turner report for the Government to introduce a White Paper?

Mr. Timms: I am sorry that the hon. Gentleman has chosen to make that kind of contribution. The overriding priority for Labour Members—having listened to the more thoughtful contributions from Conservative Members this morning, they understand this point, too—was to address the scandal of pensioner poverty in 1997. As I have said, hundreds of thousands of single pensioners had a total income through means-tested benefit of less than £69 a week, which was not an acceptable state of affairs. Over the past eight years, we have been very effective in addressing that issue. A former director of the Institute for Fiscal Studies recently pointed out that arguably the ending of abject pensioner poverty has been the most dramatic of all the major social advances since 1997. It is not true that we have not made progress, because we have made dramatic progress.

We set up the Turner commission recognising that we need to made progress. If we look 15 or 20 years into the future, we must make changes now in order to avoid problems in the future and make sure that the progress of the past eight years does not go into reverse.

Mr. Waterson: Before the Minister leaves pension credit, will he confirm that for the first time ever this month's figures show no increase in the take-up of pension credit? The Treasury is still budgeting for some 1.4 million people who are entitled to pension credit never getting round to claiming it.

Mr. Timms: The latest figures on pension credit take-up show a small increase. It is becoming increasingly clear that the number of people who are eligible for pension credit is somewhat less than the initial estimate. It is also clear that the overwhelming majority of those who stand to benefit most from pension credit—in particular, elderly, single women—have taken it up, which is why we have seen a dramatic reduction in pensioner poverty over the past few years.

At this stage, all options remain on the table, and we will not rule anything in or out until we have had an opportunity to reflect on the commission's recommendations and what people say as we take the national pensions debate around the country.

Mr. Binley: The Minister knows that I am a member of a county council, and he also knows about the problems that pensions create for local authorities in terms of council tax rises for all of our pensioners. Will he give me the real reasons behind the announcement on pensions for the public sector, because his earlier explanation did not help? The announcement seemed to

have a great impact and the Minister has argued that we should examine it, but it has already been put to one side.

Mr. Timms: I am grateful to the hon. Gentleman for reminding me that he is a local authority member. The outcome of the negotiations for local authority pensions has not yet been announced. The Deputy Prime Minister is taking forward those negotiations at the moment, and the conclusions will be announced in due course.

Let me draw the House's attention to some genuine concerns about the proposals. The Bill covers a range of technical issues, and it would have been useful to be able to study it for somewhat longer than was possible. As the right hon. and learned Gentleman said, it was only published earlier this week. I recognise, of course, that until very recently he had his mind on other matters which no doubt took up all his time.

My hon. Friend the Member for Stockton, South (Ms Taylor) was right to highlight the need to discuss such proposals very widely. I am sure that that will now take place, particularly as regards the effects on small businesses of potential additional burdens. My hon. Friend the Member for Kingston upon Hull, North (Ms Johnson) made some thoughtful contributions to the debate and was right to mention that.

Let me start with the proposals for the savings and retirement account, or SaRA. SaRA is related to LiSa, or the lifetime savings account, which featured in the Conservative party's election manifesto, and is possibly related to RIF—the retirement income fund—as well. On the basis of what the right hon. and learned Gentleman said, I characterise the SaRA as a stakeholder pension with additional flexibility. He made a good case for the additional flexibility that he advocates. The drafting makes me feel quite nostalgic because it borrows heavily from the framework for stakeholder pensions set out in the Welfare Reform and Pensions Act 1999, with which I was closely involved. Indeed, it copies much of that legislation word for word; it is good to see it again.

The right hon. and learned Gentleman argued that the introduction of SaRAs would reduce the proliferation of small pension pots and increase persistency in long-term saving. I agree about the benefits of doing that, as have other Members. He said that SaRAs would do that through reforming and simplifying the stakeholder system, so that more employers offer payroll deductions in a wider range of pensions. He also said that they would be similar in structure to ISAs—I am grateful to him for underlining, rightly, the importance of the success of ISAs over the past few years—but operate under pension rules and regulations.

I want to return to a point that I made earlier. The Bill provides that, as with stakeholder pensions, employers would have to offer their employees access to a designated SaRA, facilitate deduction of the employee's contributions from the payroll, and then pass them on into the scheme. It is proposed that regulations will provide that employees would take their SaRAs with them when they change employer. I think that the intention would be that when someone moves to a different employer, that new employer would be required to hand over contributions to the SaRA of which the employee was a member. That would be a significant additional burden on small businesses, in particular. I do not know whether the right hon. and learned Gentleman envisages the SaRA obligations being imposed. I noticed that there is some divergence among Conservative Members on that point. If they were imposed on the smallest employers, who were excluded from the obligations on stakeholder pensions, that would be another, very considerable, additional burden on them. That would certainly need a great deal of exploration before one could support the proposals.

The hon. Member for Yeovil (Mr. Laws) helpfully drew our attention to a brief from the Investment Management Association—which I have not yet seen—and I am glad that that concern has been picked up elsewhere. The hon. Gentleman made some thoughtful and helpful points, but I was disappointed that he took the opportunity to remind the House of his party's opposition to the child trust fund. The fund is finding increasing support across the country as a very effective mechanism for renewing the savings habit. I would remind the hon. Gentleman that Conservative Members supported our proposals for the fund, as did Labour Members; the Liberal Democrats are in a shrinking minority.

Mr. Laws: The people who are in a shrinking minority are those who have actually cashed their child trust fund vouchers. Will the Minister confirm that only about 40 per cent. of the vouchers sent out this year have been cashed? Does that suggest that there is a problem with the Government's flagship scheme?

Mr. Timms: No. It has always been made absolutely clear that, if the voucher is not cashed, an account will be set up by the Revenue. For the first time, every child will have an account that has been set up in their interest. They will understand the nature of the account and the nature of saving, and they will have familiarity with a financial institution. The overwhelming majority of hon. Members recognise what a big contribution that will make to renewing the savings culture in the UK, which will be of inestimable value in building pension saving in the future. The hon. Member for Wantage (Mr. Vaizey) made an interesting point about rolling over a child trust fund into whatever form of pension vehicle is available when the first child trust fund holders reach the age of 18. That is an option that we should encourage. The child trust fund is certainly a welcome and important innovation.

The hon. Member for Tunbridge Wells (Greg Clark) made some interesting points about the benefits of matching savings contributions. I am sure that he will be aware of the savings gateway pilots that have been conducted, with the Treasury's support, working with Halifax and other institutions. They are starting to show good evidence of the efficacy of matching as a means of encouraging saving among those for whom tax incentives are not very effective.

Part 2 of the Bill aims to establish a framework for retirement income funds. We have of course debated the rules on annuities in the House on a number of occasions, including during debates on at least two private Members' Bills and during the passage of the

[Mr. Timms]

Pensions Act 2004. We heard some of the arguments again today from Conservative Members, who proposed the abolition of the rule that requires people to convert their pension fund into an annuity by the age of 75 at the latest. My right hon. and hon. Friends in the Department for Work and Pensions, as well as those in the Treasury, have argued for retaining that obligation on the ground of cost, or on the ground that that proposal goes fundamentally against what a pension is.

The Bill could well have the effect of reducing annuity rates for those who will always be dependent on annuities. However, I would say to the right hon. and learned Member for Kensington and Chelsea that his interesting proposal is clearly different from those that have been made in the past, and it deserves a considered response. A maximum annual withdrawal limit would be set based on life expectancy, involving the minimum income requirement that the Bill envisages. Each year an individual would have to withdraw income at a level that would ensure that their total income was at least at the level of the prevailing rate of the pension credit guarantee. That is currently £109.45 a week, and is being uprated in line with earnings until 2008.

Where this gets difficult is in trying to guarantee that that will continue to be possible for the remainder of an individual's lifetime. The RIF would need to generate more each year, as the guarantee element was uprated, when often one would expect a fund to shrink over time. That is the background to my concern, which I raised with the right hon. and learned Member for Kensington and Chelsea in an intervention, about a real danger of people running out of money when they reach their 80s or 90s.

This option might look quite attractive to people aged 70, but if they live to their late 80s or their 90s—or even to 100, as increasing numbers are—the money will run out. The danger is of huge anxiety for such people.

Sir Malcolm Rifkind: I am grateful to the Minister, who is giving a constructive response. Before he comes to any further view on these matters, will he consult his Canadian colleagues? These are not theoretical proposals. They have worked for 20 years in Canada and almost half the Canadian pensioner population enjoy such a structure. The problems to which he refers have not been created. That should give him the reassurance he seeks.

Mr. Timms: The right hon. and learned Gentleman makes a fair point. I have a couple of points to put to him. The rest of the system is rather different in Canada, but the concern I have raised has been a real issue there. For example, I draw his attention to the warning from the university of British Columbia:

> "As there is no maximum withdrawal limit, you must be careful not to exhaust your account balance earlier than you would like".

The Canadian Bankers Association said:

> "If you take out too much, too soon, you may outlive your RIF and may be short of funds."

It is difficult to say to people in their 80s or 90s, "Watch out, you're running out of money. You'd better cut back." That is the danger of the proposal, which has been evidenced in Canada.

The upshot is that if the proposal was put in place it would be available only to people with large pension pots. That is what my hon. Friends were drawing attention to: the worry here is that the proposal is attractive only to people with large pension savings.

Mr. Laws: Would not the Minister's concerns be addressed if Lord Turner were to propose a higher basic state pension without the extent of means-testing that we have currently? The Government could loosen up the rules without running the risk of people having to fall back on means-tested benefits.

Mr. Timms: I shall not anticipate what Lord Turner might recommend. Certainly, if there was a change along those lines that would help, although it would not by any means remove the problem. Only about 10 per cent. of defined contribution pension pots hold more than £50,000. Of that 10 per cent., on the basis of some quick calculations, it looks to me as though only a minority could safely go down this road and be confident that they would still have money in their pot if they lived to their late 90s or thereabouts.

Even if someone was assured of an income of £109.45 a week, that would not be enough to keep them out of income-related benefits. There is also the question of housing benefit and council tax benefit, as well as the issue of savings credit, which, for a single person, can be available for an income of up to £151 a week. There are some real issues here involving how widely this mechanism would be attractive and valued.

I shall conclude by congratulating the right hon. and learned Member for Kensington and Chelsea and thanking him for making these proposals.

Mr. Hurd: I have listened very carefully to the Minister's detailed response, but what did not come through was any sense of urgency. The World Economic Forum ranks Britain's savings ratio 98th out of 117 countries. Does he share the view expressed in the debate from the Labour Benches that that is somehow a symptom of economic success and therefore something about which this country can be complacent?

Mr. Timms: The UK savings ratio is about twice that of the US. What my hon. Friend the Member for Denton and Reddish (Andrew Gwynne) said about the factors that people have in their mind is absolutely right. People were saving a great deal more in 1991 and 1992 because they were rightly scared about the prospects for the economy. Today, we have benefited from unprecedented stability and rapid rises in property values, which enter the equation for many people in the arrangements that they want to make.

I hope that I have been able to persuade the right hon. and learned Gentleman that we share many of the Bill's objectives and very much welcome his contribution to this important debate, which I hope will lead to a consensus on the long-term future of our pension system. I hope that he will understand why I am not able to support his proposals at this time, and indeed why I have some serious misgivings about a number of them.

I will not, however, press my hon. Friends to deny a Second Reading to the Bill. I look forward to continuing the debate on future occasions, in the House and elsewhere.

1.31 pm

Sir Malcolm Rifkind: If this debate was memorable for no other reason, it will be remembered for many years as a result of the extraordinary theory endorsed by the Minister that the collapse in the savings ratio is a sign of our healthy economy and that people only save to a significant extent when the economy is in desperate straits. Why, then, was the Adair Turner commission appointed in the first place? We understood the Government to believe that there was a savings and pensions crisis. It appears that the Minister has not yet been persuaded of that view.

Notwithstanding that, I want to thank my right hon. and hon. Friends for their welcome to this Bill, and the Liberal Democrat spokesman who, with all the necessary qualifications, has also spoken warmly of many parts of it. As my hon. Friend the Member for Eastbourne (Mr. Waterson) said, it was significant that while Conservative Members spoke about the Bill, both pointing out its strengths and asking questions about the detail, which is perfectly fair, the contributions from Labour Back Benchers hardly touched on the content of the Bill.

Over the years, I have noticed that there is a code on such occasions. When one finds it difficult to attack a measure, one does one of two things. The first is to say, as virtually every Labour Back Bencher did, "Whatever is in the Bill, it doesn't deal with the real problem, which is terrible." I freely concede that the Bill will probably be relevant to only about 40 to 50 million people in this country. I acknowledge that there are millions of people for whom the Bill will be completely irrelevant. It could be said that that is probably true of most Bills that the House considers, but Labour Members have never used that as an argument before.

It was also suggested that this Bill will help the wealthy. First, that is wrong—it will not; it is designed for lower and middle-income persons. If that is the preoccupation of hon. Ladies opposite—it was almost entirely hon. Ladies who were speaking—I should have thought that, at some stage during the debate, they would have commented on the Government's proposals, which from April next year will allow the wealthy in this country to put their pension savings into Picasso paintings, second homes, yachts and various other forms of investment. For those hon. Ladies to show such passion in the interests of the poor and to excoriate my poor, harmless little Bill because it does not deal with the problems of poverty and shows a preoccupation with the needs of the wealthy, while not saying a word about the extraordinary largesse that the Government are offering to many of my constituents in Kensington and Chelsea—for which I ought to be extremely grateful—suggests a slight absence of proper proportions.

The other code on these occasions is to say, "Whatever the good or bad in the Bill, we must wait. It is premature. The Turner report is coming out." It is rather like "Waiting for Godot". It gives a splendid catch-all excuse for not even expressing a view, never mind coming to a conclusion. Labour Members know perfectly well that that is a pretty bogus approach.

The Minister will not be surprised to know that I was following his words extremely carefully. He is a careful and cautious man, and I found some interesting comfort in his choice of words. Perhaps I am grossly exaggerating the significance of what he said, but he concluded by saying that he could not support the Bill "at this time". Quite right, too—this is a Second Reading debate, and I am not sure that even I can support the Bill until we know what its final shape will be.

The Minister kindly said that in part 1, which deals with the proposed SaRAs, I had made a good case for the increased flexibility that such accounts would represent. I thank him for that. Referring to the possible implications for small businesses, he said that more exploration would be needed before the proposals could be supported. That is a perfectly reasonable qualification. The Minister conceded that the proposal in part 2, relating to the retirement income fund, was significantly different from earlier proposals that had been debated in the House and had incurred the Government's wrath. He said that it deserved a considered response.

By ministerial standards, that strikes me as encouraging, although I may be unwise to find it so. I am delighted that the Minister is not going to ask his hon. Friends to oppose the Bill. Let me emphasise that the Bill contains nothing ideological. The Government maintain that they are keen to revive the habit of saving. My proposals may not deal with every single problem that Members have raised, but they will do no harm and would do significant good.

I make no apology for repeating a crucial point relating to, in particular, the retirement income fund. There may be concerns about it, and the Minister has a duty to express potential concerns before any measure can be endorsed. I reiterate, however, that these are not just theoretical ideas; they have been put into practice for 20 years in Canada. In a less charitable comment, the Minister said that they were mainly designed for the better off. That cannot be true. In Canada, half the pensioner population use the system and have found it worthwhile.

I welcome the Minister's qualified comments. Of course I understand why he cannot simply say that he supports the Bill at this stage. It will, I hope, proceed to Committee, when it will be subject to detailed discussion. No doubt changes will be needed in order for it to win the Government's support, but the Committee stage will be an important test of whether the Government genuinely want national consensus. National consensus means responding to serious and constructive proposals from the Opposition or from other sources, not just those made in the Government's own factory.

I thank the House for the responses given to the Bill, and commend it to the House.

Question put and agreed to.

Bill accordingly read a Second time.

Children's Food Bill

Order for Second Reading read.

1.37 pm

Mary Creagh (Wakefield) (Lab): I beg to move, That the Bill be now read a Second time.

The Bill seeks to provide a legal framework for the regulation of children's food. It covers the marketing of food and the provision of food in schools. It takes account of the skills that children need in order to make good decisions about diet and health, and requests the Government to accept a new duty to promote healthy food to children.

I cannot claim to be the inventor of the Children's Food Bill. There has been a long campaign, organised by Sustain, on behalf of more than 150 organisations. They care about children, food, children's health and our common future. I welcome the support of Unison, the GMB, the National Union of Teachers and the Communication Workers Union, and that of the Co-operative Group, the British Medical Association and the British Heart Foundation in particular.

Mr. Eric Forth (Bromley and Chislehurst) (Con): It is always very impressive when a list of supporters of that kind is read out, but what assessment has the hon. Lady made of the extent of support from her parliamentary colleagues—of the 350 or so Labour Members, either those who are present now or those who, in the event of a Division, may vote for the Bill?

Mary Creagh: More than 250 Members from all parties in the House have signed an early-day motion that I tabled on the subject. I think that that indicates the level of support for the Bill.

The Bill was first tabled in 2004 by Debra Shipley, the former Labour Member for Stourbridge. Jamie Oliver's "Feed me better" campaign caught the public mood in the spring, and raised awareness of the quality of school meals. I feel that I am carrying a torch that others have lit. Returning to the question asked by the right hon. Member for Bromley and Chislehurst (Mr. Forth), I thank the hon. Members for North Dorset (Mr. Walter), for Sutton and Cheam (Mr. Burstow) and for Foyle (Mark Durkan) for their support and sponsorship, and for making this a cross-party Bill.

I pay tribute to my hon. Friends and to Members in all parts of the House who have been so generous in sharing with me their wisdom and experience in supporting this Bill's passage.

Children and food—those are two very emotive words. What should we feed our children and what are we feeding our children? Those are two questions with very different answers. Obesity is a growing problem in the UK, especially among children. Government figures for 2002 show that 30 per cent. of children aged two to 15 are obese or overweight.

Jessica Morden (Newport, East) (Lab): Does my hon. Friend agree that as part of the wider debate and in order to influence behaviour, we need to examine how children themselves view food and their relationship with it? A recent study in south Wales shows not only a rise in child obesity but a significant change in the rate of obesity in girls, compared with boys.

Mary Creagh: I thank my hon. Friend for raising the serious issue of the difference in obesity levels among boys and girls. The level is considerably higher among girls and there are many possible reasons on which we could speculate, such as girls' attitudes to sport—particularly team sport—and their body image and self-awareness. Eating disorders such as anorexia and bulimia are affecting young women's growth and fertility, and their reproductive ability in later life. I agree that this issue needs to be looked at.

If childhood obesity continues at its current rate, more than half of children will be overweight or obese by 2020. The links between poor diet and chronic disease are well known. If we do not deal with this problem, for the first time ever, mothers of my generation may have a longer life expectancy than their children. So we need to take action.

The Children's Food Bill has six clauses and five main provisions, and I am absolutely delighted that the Government have agreed to two parts of it. This is truly wonderful news and a great victory for the Bill. Tuesday's schools White Paper promised to introduce minimum nutritional standards for all school meals and a ban on junk food in school vending machines. That is a real victory for the organisations, parents, teachers, school dinner ladies, celebrity chefs and parliamentarians who have campaigned long and hard on this issue.

Dr. Phyllis Starkey (Milton Keynes, South-West) (Lab): Does my hon. Friend accept that it was very important that the White Paper gave that commitment, because it is clear that the educational achievement of children—particularly those from disadvantaged homes—is adversely affected by poor nutrition? The hot meals provided at school may be their only hot meal until they get home in the evening.

Mary Creagh: That is indeed an important issue. Since working on the Bill, I have heard about the various difficulties that disadvantaged children face throughout the country. Sadly, we know that for many such children, the school meal is the only hot meal that they will get all day. A child's ability to learn will not be helped by consuming crisps and fizzy drinks, rather than something nourishing and sustaining. I welcome the fact that the new schools being built will have proper kitchens; staff should not simply be reheating food that has been cooked elsewhere.

Judy Mallaber (Amber Valley) (Lab): Is my hon. Friend aware that there were national nutritional standards until 1980, when I lobbied this House against the then Conservative Government's removing them? At that time, substantial and nutritional meals were provided. In fact, school meals were first introduced after the Boer war, because when our soldiers came back they were regarded as rather puny. So this issue has been known about for a long time, and we are in part reverting to previous practice—with, hopefully, future improvements.

Mary Creagh: I thank my hon. Friend for that interesting contribution. A class divide still exists

between the physical development of children from poorer backgrounds and those from better-off backgrounds. In many ways, we are turning the clock back to provisions that were in place in the 1970s and 1980s, but which have now disappeared.

Ms Diana R. Johnson (Kingston upon Hull, North) (Lab): Will my hon. Friend join me in congratulating Hull city council, which has introduced free, healthy school meals in all its primary schools? One school in particular has seen a take-up of 98 per cent. Already, teachers are commenting on the educational achievements that have followed from the good nutrition of those children. Breakfasts and after-school refreshments are available as well as the healthy school meal lunches.

Mary Creagh: I thank my hon. Friend for her intervention. Her example of what Hull city council is doing is one of the most radical and exciting examples of a local authority using its powers to address chronic ill health in its community. It is crucial for us to carry on those initiatives because where everyone has a free school meal, it takes the stigma out of having school dinners. Everyone eats together and children also learn about how to talk to each other across a school dinner table, which is very important.

Mr. Edward Vaizey (Wantage) (Con): I welcome the principles behind the Bill. Picking up on the previous intervention, does the hon. Lady recognise that not only local authorities, but individual schools can introduce healthy school meals. St. Birinus school in Didcot has a healthy school meals menu that details all the benefits. Does the hon. Lady also agree that healthy food, including food bought from local producers, need not be any more expensive than food purchased through a contract with a central catering company? Does she accept that we in south Oxfordshire and the vale are disappointed that, under the healthy schools initiative, the Government have given a school such as St. Birinus, which has achieved so much, only £1.50 a week in additional funding to help with its healthy school meals?

Mary Creagh: It is interesting that the hon. Gentleman raises the issue of local and sustainable produce. Many schools across Yorkshire and in my Wakefield constituency are trying to emulate that example. In one school, the head chef makes such delicious meals that they are outsourcing her and using the school hall for weddings, baptisms, christenings and so forth. That school, in the Morley and Rothwell constituency, made £40,000 and bought a school minibus, largely on the basis of the head chef's efforts and hard work. It is a tremendous achievement.

We should be saying that it is not just a matter of school dinners; we should be producing food that we all want to eat. When we go into the Members' Tea Room, we are not offered only burgers, chips and pizza—*[Interruption.]* Okay, there is the all-day breakfast, in which some of us were indulging only this morning. However, what is good enough for us should be good enough for our children.

Mr. Andrew Dismore (Hendon) (Lab): I shared breakfast with my hon. Friend this morning, but I shall not tell the House what she had to eat—or what I had to eat, for that matter.

It is not just a question of whether people are rich or poor, but a question of knowledge. When one knows how to cook, one can provide good meals cheaply. I recently visited Bell Lane school in my constituency and talked to the kids about what they ate, and I was impressed by the fact that many children from minority ethnic backgrounds still ate very healthily, because of the knowledge of their families, inherited through the generations and brought from overseas. Part of the problem is that much of that knowledge among the traditional English community has been lost. Does my hon. Friend agree that we need to educate parents as well as improve schools?

Mary Creagh: Absolutely. I am aware of an agricultural tradition among minority communities—whether they be Irish, Bangladeshi or Pakistani—that often carries on. I am a great fan of the allotment tradition. It helps to teach children how to cook and grow their own food.

Susan Kramer (Richmond Park) (LD): On that particular point, Lowther primary school in Barnes in my constituency decided that it would not introduce healthy eating only for children, so it combined with Roehampton university and the primary care trust to take healthy eating out into the community. Thus whole families learn how to grow food—an allotment has been placed on the school site—and the message is carried through every day and week of the child's life. Does the hon. Lady agree that that is a constructive way in which to deal with these issues?

Mary Creagh: I agree with the hon. Lady and I know of schools in my constituency where part of the school playing field has been given up as an allotment and the children go out every day to plant their seeds, water their vegetables, watch things grow and learn about the seasons. When they take those vegetables home, it is imperative that they are cooked with the care and reverence that the children showed in bringing them forth from the soil.

A school in Yorkshire started a breakfast club for pupils who were turning up late because they had paper rounds. One of the teachers commented:

"Offering toast and a warm drink instead of letting pupils consume crisps and fizzy drinks significantly reduced their aggression levels."

It is not hard to work out which is best when it comes to toast versus crisps or cola versus milky tea.

At schools in Wakefield, we are enjoying better school dinners, thanks to the Government's investment this spring, but the latest announcement is better news. The Bill has three further parts—a ban on junk food marketing aimed at children, school lessons on cooking and growing food for children and a new duty on the Government to promote sustainable and healthy eating to children.

Mr. Mark Hoban (Fareham) (Con): The hon. Lady said that it was obvious that a cup of warm, milky tea was preferable to a glass of cola, but did she see the research from the Food Standards Agency that suggested that a glass of cola was far healthier than a milkshake? There is a lack of consensus about what is actually healthy.

Mary Creagh: I was not talking about milkshakes, but the food industry makes the argument that the FSA

[Mary Creagh]

profiles put breast milk in the category of evil food and burgers in the category of great food. One can make a case for all foods to be put in either category when looked at in isolation, but we have to look at the overall balance of children's diets and how Government intervention and regulation can help, given that we have a public health epidemic of childhood obesity and we are storing up a physical time bomb in the next generation. That is why we need regulation of advertising.

We need a ban on junk food advertising, because advertisers treat children as consumers. Last year, they spent more than £700 million advertising to children. Parents are tired of being pestered by their children to buy foods that are high in fat, sugar and salt, simply because they recognise Bart Simpson, Bob the Builder, Thomas the Tank Engine or any of a host of Disney characters on biscuits, cereals and yoghurts when shopping in supermarkets.

I turn to the case of the mysterious, disappearing Mr. Greedy. I bought a tin of hotdogs a month ago in a high street supermarket. This is the tin I bought—

Mr. Deputy Speaker (Sir Michael Lord): Order. May I explain gently to the hon. Lady that visual aids are discouraged in the Chamber.

Mary Creagh: I am grateful for your guidance, Mr. Deputy Speaker, although the menu from Didcot appears to have escaped similar notice. I bought the tin a month ago in which the hotdogs were 40 per cent. pork and 40 per cent. mechanically separated turkey. Mr. Greedy appeared prominently on the label and it was clearly marketed at children. The label does not say that the sausages contain more than 4g of salt, which is more than the entire recommended daily intake for a five-year-old child. We all now know that 6g is the recommended adult daily intake.

I went back a couple of weeks later and bought the same product. Mr. Greedy had disappeared, interestingly, and chicken had replaced the mechanically separated turkey—another win. Crucially, the salt content had also been halved. That shows that food companies will make reasonable, healthy products that one would consider giving to one's children, but only if they are forced to do so. If that is what can happen to one product that is named and shamed, how much more powerful would a ban on such marketing be?

We need to get the multinational food companies out of our schools, our classrooms and our hospitals. Why should they be given access to places where children are at their most eager to learn or, in the case of a children's ward, at their most vulnerable? Those companies sponsor walking buses and exercise books, print leaflets and publish websites, all with one simple aim: product placement and brand promotion, aimed at children and disguised as philosophy. It simply has to stop. Little children must be protected from big business.

Mr. Forth: I hope that before the hon. Lady finishes her exposition she will give us her assessment of the role of the parent in all this. I searched the Bill for "the parent" and finally found a mention in clause 5(2)(a), but only to say that the regulations that the hon. Lady proposes would not apply to

"the provision of foods or drinks . . . brought to school by a child or by the parent or guardian of a child".

That is sensible, but what role does the hon. Lady see for the parent in taking the prime responsibility for guiding children and protecting them from the evils that she alleges exist?

Mary Creagh: I thank the right hon. Gentleman for his valuable point. I shall come on to that because the second part of the Bill is about teaching children how to cook and grow food.

There is a generation, and I count myself among it, that has not been particularly well taught about cooking at school. I can remember reducing one of my home economics teachers almost to tears in my attempts at making chocolate éclairs, and that was when I was 18, so there was really no excuse. People of my generation are not particularly good at cooking, and with more women in the work force there is less time for mothers and fathers to cook and more pressure to buy pre-packed and processed foods.

When we teach children about the environment, they go home and educate their parents about the environment. If we teach children about food, they will choose healthier food and help to educate their parents as well. In disadvantaged areas with Sure Start, mothers and fathers are learning much more about food and food co-operatives are being set up. One of the problems in areas with poor public transport is that parents cannot get to a supermarket to buy cheap, healthy produce. They are stuck in a food desert, so they cannot buy any fresh produce, locally produced or not, but are reliant on small local shops, which predominantly sell pre-packed and tinned foods.

Andrew Gwynne (Denton and Reddish) (Lab): Following on from the point made by the right hon. Member for Bromley and Chislehurst (Mr. Forth), does my hon. Friend agree that it is difficult for adults, particularly parents, to make informed choices about the food that they buy because information on the products is often misleading and it can be difficult to ascertain precisely how unhealthy some food is?

Mary Creagh: I thank my hon. Friend for that intervention. To determine the salt content of the hotdogs that I mentioned, one has to multiply the sodium content per 100 g by 2.5 and then multiply it by 2.1 because the product weighs 210 g. The packaging may say that the food contains only 0.8 g of sodium per 100 g, but that is saltier than sea water. Unless one is extremely good at mental arithmetic—those of us with small children do not spend time in the supermarket getting our calculators out—it is difficult to make a judgment. Food labelling is key to this issue.

Jamie Oliver's programme showed parents and children the realities of school food, but we should not rely on TV celebrities to educate children about what goes into a Turkey Twizzler. That work has to start at age five and continue until age 16. At the moment, children leave school able to quote Shakespeare but unable to boil an egg—I happily confess that that was the case with me. They need to be able to use pots and

pans as well as a tin opener. In parts of France where there is a food education programme, obesity in children has risen by less than 1 per cent. in 10 years, compared with an increase of 98 to 100 per cent. in the rest of the country.

Finally, the Bill places a duty on the Government to promote healthy foods to children and equip them to make informed choices about food. We need to wean children off processed food and promote fresh, local, seasonal produce. That is an ongoing challenge.

Mark Williams (Ceredigion) (LD): One of the attractions of clause 4 is that it makes the important link between the practicalities of providing healthy school meals and the delivery of food education in the classroom. Does the hon. Lady agree that with hindsight we can see that making food technology and food education voluntary subjects in primary schools means that, with all the other pressures on teachers, they are inevitably sidelined? Her Bill gives them the pre-eminence that they deserve.

Mary Creagh: I thank the hon. Gentleman for raising an interesting question about the place of food in the curriculum. I know that there are many pressures on the curriculum and that children learning to read, write and add up is the pre-eminent reason for sending them to school. Teaching about food is not compulsory; many schools are doing that type of work, but it is often not well structured or valued. We have to provide a framework within the national curriculum so that schools can see that such provision is in their interest—the healthy schools initiative could provide a wrapper for such provision. In that way, rather than regard it as yet another Government initiative, schools would feel that they were contributing to the national curriculum. I look forward to working on that with Education Ministers as the schools White Paper progresses.

Anne Snelgrove (South Swindon) (Lab): Does my hon. Friend envisage a role for the youth service? Statutory education provision is not the only thing that could help. In addition, the Government's extended schools scheme could provide time after and before school to promote healthy eating, to teach young people about food and to give them the opportunity to cook healthy food themselves.

Mary Creagh: I agree. Non-formal education has a vital role to play. Many children learn through non-formal channels, such as guides, scouts and other youth organisations, which provide invaluable help in teaching children about the process of becoming adults.

When one visits a school and sees something that the children have made together, one sees their sense of shared pride in their achievement. When my three-year-old son came home from nursery with a biscuit the other day, it was as if the holy grail had arrived in our living room. Of course, he did not wait until I got home to eat it, so I was unable to worship it. Being able to cook a biscuit is a great achievement for a three-year-old.

Schools exist to develop children's minds and to introduce them to the wonders of the world around them, but we must not forget their bodies, as their minds will not focus or concentrate without decent food. The Government have already ensured that all schools, wherever they are and whatever their intake, will provide healthy, nutritious meals for children. With the support of the House, my Bill will be able to protect children from junk food advertising and teach them cooking skills to last them a lifetime.

Promoting this Bill in the House has been an education to me as a parent and as a politician. I truly believe that we are approaching a tipping point for junk food advertising. I hope that this Parliament will be remembered for improving the eating habits of a generation and for stemming the increase in childhood obesity. Our children deserve nothing less. I thank colleagues on both sides of the House for their kind support and commend the Bill to the House.

2.3 pm

Annette Brooke (Mid-Dorset and North Poole) (LD): I congratulate the hon. Member for Wakefield (Mary Creagh) not only on obtaining a high position in the ballot, but on her excellent presentation of her Bill and her robust rejection of some of the interventions.

I am delighted to speak in support of the Bill. Some of the proposals might appear rather illiberal—such as banning the supply of certain foods in vending machines and banning the advertising of junk food to children—but I believe that there is no choice but that the Government make significant interventions to tackle poor nutrition. For too long we have allowed food marketing companies to influence our family diets and the television media to develop further our already sedentary lifestyle. We must now empower our citizens to lead a healthy lifestyle. Action now is imperative and an obvious starting point is children.

The problem facing children and their parents and carers is enormous. We have heard a lot of statistics on obesity: studies suggest that more than 1 million children in the UK are obese—an enormous number. Obesity is linked to a wide range of serious illnesses, so we are storing up a huge national health service bill for the future.

Mr. Mark Harper (Forest of Dean) (Con): The hon. Lady makes a good point. Both she and the hon. Member for Wakefield (Mary Creagh) correctly identified the serious problem of childhood obesity. We are perhaps ignoring the important factor that the calorie intake of both children and adults over a number of decades has remained relatively flat, if not fallen. The big problem is that children today, and adults, are taking decreasing amounts of exercise. To solve the problem of obesity, we would do better to focus on exercise rather than only on food.

Annette Brooke: We need to focus on exercise as well.

Helen Goodman (Bishop Auckland) (Lab): Will the hon. Lady give way?

Annette Brooke: I shall continue, because I wish there to be a satisfactory conclusion to our proceedings on the Bill today. I shall do my utmost to be as brief and concise as possible.

[Annette Brooke]

I concede the point about exercise. That is why it is important to have a whole-curriculum approach within the healthy lifestyle. The British Dental Health Foundation has drawn our attention to the dental decay that is experienced by half of five to 10-year-olds.

It is certainly time for the Government to be involved in addressing the issues, and we need the steps that are proposed today to turn round the current trend. There is almost an obsession with health and fitness in national newspaper columns and reality television programming, but we need political leadership and action. Responsibility for the healthy diet of children, both in and out of school, has to lie with parents and children themselves, but a significant dose of support from schools and Government is an important starting point.

Even before "Jamie's School Dinners" hit our screens in March and mobilised more than 270,000 citizens to lobby the Government to increase spending on quality ingredients, research had shown that a nutritious diet free from artificial additives and processed food can significantly improve behaviour and concentration in school children.

I shall refer briefly to a study that was carried out in a school that I know that is in a relatively deprived area. Two thirds of its pupils were asked about food intake during the day. Their answers were alarming. Virtually all the children were eating and drinking highly processed food that is high in sugar and fat—if they ate and drank anything at all. Most students admitted drinking relatively little during the day, often only fizzy drinks, which puts them at risk of spending much of the day significantly dehydrated.

The teacher responsible for the study made a pertinent comment. She said:

"What is the point of spending a fortune on key stage 3 secondary strategies when so many kids are just not capable of learning as their brains are not functioning? It is like trying to fine tune the engine of a car that has got the wrong fuel in it."

The teacher also pointed out:

"Jamie Oliver's campaign is not affecting our students—they will run offsite to the chip shop or bring their junk food in with them, despite having a canteen with healthy options."

Many Members have mentioned the healthy options, which I am pleased are in our schools. However, the study underlines the fact that we know that some young people will still get junk food. We need all the proposals in the Bill to come together and a holistic approach.

Meg Hillier (Hackney, South and Shoreditch) (Lab/Co-op): Will the hon. Lady give way?

Annette Brooke: I wish to be quick so as to allow others to speak.

I welcome the announcements that have already been made by the Secretary of State for Education and Skills on provisions in the Bill. It makes a great deal of sense to take the junk food out of school vending machines and to ensure that we give clear and consistent messages about what is actually happening and what is said in the classroom. We have to take responsibility for the mental and physical development of our children. Let us ponder on "You are what you eat". If we keep that at the back of our minds, we will be able to get totally on message. Supermarket chains could do more to promote healthy food. I would like the traffic lights system to be used to help identify nutritious food and to educate us about healthy choices.

To concentrate briefly on specific proposals in the Bill, I support the proposed new duty on the Department of Health to promote healthy eating for children. I would like to see the Government extending the school fruit and vegetable scheme to older children. That would go well along with other parts of the package.

The moves to tackle school meals and ensure that there are minimum nutritional standards are long overdue. Many schools operate good schemes, but I wonder why we had to wait for Jamie to show us the way. In Dorset, not a single primary school has an on-site kitchen, so I am worried that there will not be enough money to meet the Government's aspirations on school meals. However, the principles of the measure are right, and I am happy to support them.

We certainly need to do something about advertising. For every £1 spent promoting healthy eating, £500 is spent marketing unhealthy food, so the market has clearly failed. Advertising promotions determine our children's food choices and propel them down a single route. The producer is king. I agree that if we limit the advertising of unhealthy food for children, many parents will be under less pressure to give in to their requests for fast food. The Government have obviously accepted the principle that advertising should be limited, as they are talking to respected members of the industry, but they must be prepared to act if change has not taken place by early 2007. However, we cannot afford to wait that long, and we should take action today by supporting the Bill.

We should put the clock back and offer practical cookery lessons in schools. It is also desirable that food should be grown on school grounds. Finally, I agree with the Food Standards Agency that we need to assess the impact of food on children's health and well-being.

In conclusion, the Bill's provisions are all necessary. Other measures are required too, but I urge hon. Members to support it.

2.11 pm

Mr. Pat McFadden (Wolverhampton, South-East) (Lab): The issues raised by the Bill are extremely important, because food has a significant impact on children's health and well-being. Some people, including hon. Members, argue that politics should stay away from this issue, and that it has become a target of the nanny state. However, that should not be the case. Politicians should care about these issues, because this is not just about diet but about ensuring that children have the best start in life regardless of their background.

More than ever before, we know that the food that children eat has a profound impact on their health and their wider opportunities. If children eat too much of the wrong food they will start school overweight, they will be less able to concentrate on their lessons and will do less well at school, which will have an impact on the opportunities open to them later in life. The Bill is therefore about opportunity and the capacity of every child, whatever their background, to make the most of their life. In my constituency, Wolverhampton City

primary care trust estimates that 32 per cent. of children starting school aged four or five are overweight, and 14 per cent. are obese. Nationally, the respective figures are 24 per cent. and 11 per cent. Even before children start school, food and diet are vital issues.

Justine Greening (Putney) (Con): I am not a parent, but I am not sure that three and four-year-olds clamour for unhealthy food. We must be careful not to adopt sticking-plaster solutions, as the root cause of the problem is a lack of understanding among parents about a healthy diet. Surely, a junk food advertising ban is only a temporary solution, not a permanent one.

Mr. McFadden: The point I was trying to make is that the issue is not just what children eat at school. Diet is vital from the very earliest years.

Judy Mallaber: Has my hon. Friend ever observed a three or four-year-old having a tantrum because they were denied something at the supermarket checkout, which was advertised as something they simply must have now?

Mr. McFadden: Indeed, but I would like to make progress.

Among older children among Wolverhampton the pattern is, if anything, worse than among four and five-year-olds. The PCT estimates that 40 per cent. of 11 to 12-year-olds are overweight, of whom 24 per cent. are obese. Seven years ago these figures were half their current levels. The pattern is clear. It is not only bad for the individual children involved, but it is an increasing cost to the country. The Department of Health estimates that the cost of obesity in terms of treatment, absence from work through ill health and premature death may be several billion pounds. Of course no single factor is responsible, but the growth in the number of overweight children must be down in large measure to the diet and the food that they eat.

Some supermarkets are making progress and some are taking positive action to reduce the levels of salt, sugar and fat in the food that we eat, but we need more progress. The issue matters because it affects the life chances of those children, their health and the opportunity that they enjoy.

Meg Hillier: In earlier interventions colleagues emphasised the importance of ingraining good habits. I am sure my hon. Friend would be interested in the example of Daubeny primary school in Homerton in my constituency, in the heart of the inner city, which has just won £1,000 to set up a vegetable garden in the school. Does my hon. Friend agree that that is a great way of teaching children, especially in cities, the origins of food and the habits of good eating?

Mr. McFadden: I agree with my hon. Friend. That sounds like a very good example, which I am sure may be followed elsewhere.

The Bill is not a magic wand or a silver bullet. Every clause is not necessarily 100 per cent. right, but it puts the subject of children's food at the heart of the health agenda, where it belongs—a subject that deserves further debate and consideration in the House.

2.17 pm

Mr. Mark Harper (Forest of Dean) (Con): In her speech the hon. Member for Wakefield (Mary Creagh) described at length the problem of obesity, so I will not dwell on that. I want to pick up one of the points I made earlier about exercise. As other Members have mentioned their constituencies, I shall speak about mine, the Forest of Dean. The forest itself has been described to me by the Forestry Commission as the largest gym in the land. I encourage all young people and indeed all adults to journey to the forest of Dean and use its delights for exercise, whether walking or cycling.

Over the past few years the amount of physical activity undertaken by young people has been declining. Fewer young people walk to school—increasing numbers are driven. The proportion of youngsters playing sport at school has fallen.

Helen Goodman: The hon. Gentleman is right. Children have far fewer opportunities for play than they used to have. I hope he will join the all-party parliamentary group on children's play as soon as it is set up. However, we also need to attend to diet. I hope he will turn to that now.

Mr. Harper: I will—that is a good link. One of the things that interests me is the focus on diet, as opposed to single items of food. Vincent Marks, the emeritus professor of clinical biochemistry at the university of Surrey, has pointed out that there are

"bad diets—that is, bad mixtures and quantities of food—but there are no 'bad foods'"

individually. It is important to remember that if a child has a can of fizzy drink or eats an individual item of food that may be described as junk, that is not a problem as long as the child has a balanced diet.

Mary Creagh: Will the hon. Gentleman give way?

Mr. Harper: If the hon. Lady—oh, go on.

Mary Creagh: The hon. Gentleman has said that there is no such thing as bad food and that we must consider balanced diets. What does he say about Mr. Greedy sausages, which contain more salt than seawater and are made of mechanically separated turkey? Are they the sort of thing that he would feed his child, his dog or himself?

Mr. Harper: The hon. Lady has complained about supermarkets and evil multinationals indulging in product placement, but she has given a tremendous amount of advertising—probably more than the manufacture could have dreamed of—to Mr. Greedy sausages. Mr. Greedy sausages sound like something that I would enjoy eating, and I am sure that my two black Labradors, Cara and Darci, would be keen, too.

Under the Bill, the Food Standards Agency would have a significant amount of influence on the regulation of advertising. My hon. Friend the Member for Fareham (Mr. Hoban) has already alluded to a recent FSA analysis, which came up with some interesting results. The analysis, which is perhaps counter-intuitive, states that healthier foods include oven chips, chicken

[Mr. Harper]

tikka masala, spaghetti bolognaise and sliced white bread, and that less healthy foods include cornflakes, bran flakes and polyunsaturated margarine. The FSA has defended its model, stating that the Government's Advisory Committee on Nutrition believes that the model accurately identifies foods that could be subject to future broadcast advertising restrictions. Putting it in control of advertising restriction may not lead to an outcome with which the hon. Member for Wakefield (Mary Creagh) will be comfortable.

Dr. Starkey: I am intrigued. Is the hon. Gentleman suggesting that the FSA is not an appropriate body to rule on nutritional standards? And does he realise that the packet is often a better source of nutrition than cornflakes themselves?

Mr. Harper: I was simply drawing attention to the fact that hon. Members and others outside the House may be surprised when they consider the products that the FSA analysis describes as "healthy". If the FSA were in charge of advertising restrictions, it might not reach conclusions that the hon. Member for Wakefield likes.

I agree with my hon. Friend the Member for Bromley and Chislehurst—

Mr. Forth: Right hon. Friend.

Mr. Harper: I thank my right hon. Friend for that correction and hope that he will forgive me.

When I read the Bill, I was disappointed to find that the word "parent" is mentioned only once. Two out of three meals eaten by children are provided at home by their parents rather than in the school environment.

Mr. Dismore: The hon. Gentleman has pointed out that two out three meals eaten by children are eaten in the home, which makes it that much more important to control advertising, because advertising leads children to pressure their parents to give them food that they should not eat day in, day out.

Mr. Harper: That is an interesting point. If the hon. Member for Wakefield thought that the role of parents is important, I suspect that it would have been mentioned more frequently in the Bill.

Mark Durkan (Foyle) (SDLP): The Bill supports and assists parents; it does not impose on them. That is proved by the fact that parents are mentioned only once. Can the hon. Gentleman name one aspect of the Bill that a parent would object to?

Mr. Harper: I suspect that most parents, certainly those outside this House, are not given to studying Bills in great detail, so I cannot suggest any one that they would find particularly objectionable.

I shall draw my remarks to a close to give the Minister time to speak. Clause 5 says that the appropriate authority, namely, the Secretary of State, could prescribe offences by prohibiting the sale and provision of food. If the hon. Lady wants to start creating criminal offences to do with selling food, it would be more sensible if those powers were included in the Bill instead of allowing the Secretary of State to make them through regulation.

2.25 pm

The Minister of State, Department of Health (Ms Rosie Winterton): I congratulate my hon. Friend the Member for Wakefield (Mary Creagh) on introducing the Bill and on the passionate way in which she spoke about these extremely important issues. She showed that she has a great deal of support for her proposals from stakeholders, trade unions and health professionals, as well as from Members on both sides of the House. Although we cannot support all aspects of her proposals, I hope that I can give her some reassurance. We are legislating in certain areas, as she said, and the measures that we are proposing will be carefully monitored in other areas where we are not legislating at present but have made it clear that we will do so if we cannot achieve the improvements that we seek.

Justine Greening: Can the Minister be a little more specific about which bits of the Bill the Government do not support?

Ms Winterton: I did not say that we do not support measures in the Bill—I said that we are taking forward legislation in certain areas; those include education. In other areas, we are working in partnership with industry and other stakeholders. We have made it clear that we would prefer a partnership approach, but we have also made it clear that, because of the importance of the issues raised, if we do not see improvements in standards we will consider whether further measures are needed, for example through legislation. We are very supportive of my hon. Friend because many of the matters that she highlights concern key steps to improving the diet and health of young people and our future generations.

Hon. Members clearly set out some of the issues at hand. My hon. Friend the Member for Wolverhampton, South-East (Mr. McFadden) described the effect that poor nutritional standards are having in his constituency, drawing attention to information sent to him by the primary care trust. The hon. Member for Mid-Dorset and North Poole (Annette Brooke) noted the importance of our having a clear understanding of the relationship between certain foods and children's health, well-being and educational performance.

We want to restrict the promotion to children of foods that are high in fat, salt and sugar, and to increase the promotion of healthier products. We want improvements in the nutritional quality of food and drink that is provided throughout the school day. We want to teach school children about practical cookery. As my hon. Friend the Member for Wakefield said, if we can get it right during the school day by improving children's knowledge, that can translate into the attitude of parents as well; she gave some good examples of how that can work. However, I would say—

It being half-past Two o'clock, the debate stood adjourned.

Debate to be resumed Friday 16 June.

Remaining Private Members' Bills

EUROPEAN COMMUNITIES ACT 1972 (DISAPPLICATION) BILL

Order for Second Reading read.

Hon. Members: Object.

To be read a Second time on Friday 17 March.

INTERNATIONAL DEVELOPMENT (ANTI-CORRUPTION AUDIT) BILL

Order for Second Reading read.

Hon. Members: Object.

To be read a Second time on Friday 17 March.

FOOD SUPPLEMENTS (EUROPEAN COMMUNITIES ACT 1972 DISAPPLICATION) BILL

Order for Second Reading read.

Hon. Members: Object.

To be read a Second time on Friday 17 March.

BOROUGH FREEDOM (FAMILY SUCCESSION) BILL [*LORDS*]

Order for Second Reading read.

Hon. Members: Object.

To be read a Second time on Friday 11 November.

Deportation

Motion made, and Question proposed, That this House do now adjourn.—*[Kevin Brennan.]*

2.31 pm

Keith Vaz (Leicester, East) (Lab): I am grateful to you, Mr. Deputy Speaker, for giving me this opportunity to raise in the House the case of James Bishop, and the issue of the deportation and removal of defendants during criminal proceedings. I am delighted to see the Under-Secretary of State for the Home Department, my hon. Friend the Member for Leigh (Andy Burnham), at the Dispatch Box today. He is one of the most diligent and hard-working Ministers in the Government, and I am sure that he will have something positive to say as a result of this debate.

The Bishop and Payling families lost their son James in a tragic road accident in June last year. Robert and Angela Payling, James's stepfather and mother, are constituents of mine and, together with Paul Bishop, James's father, they have demonstrated enormous courage and determination in trying to find out the full facts of this case. Each step of the way, however, they appear to have been thwarted by bureaucracy.

The road accident took place in Manchester in June 2004. Shao Jie Yin, a Chinese citizen who was in Britain, was driving the vehicle. He was charged with driving without due care and attention. I should tell the House that, when he was last in the United Kingdom, he denied the charge. The case never reached trial. Before a trial could take place, the immigration authorities—on their own authority, and without consulting any other agency—deported Mr. Yin to China. James's family are, rightly, deeply frustrated and disappointed, as the perpetrator of their son's death has escaped trial. They—and I, in holding this debate—are motivated not by a desire to punish, because nothing can ever bring James back to them, but by a wish to ensure that the flawed process that they have encountered is dealt with, and that this kind of situation never recurs.

James's father, Paul Bishop, said that James was

"the life and soul of the party and having a great time up in Manchester".

He could still remember vividly, as could all his family, the last time he saw his son. Since James's death, however, his mother, father, stepfather and brother have been sent to three different agencies, made many calls, and attended many hearings and meetings in their quest for the truth. This shocking situation has placed a further strain on the family and, in my view, made their grieving more difficult.

The scenario that I am describing this afternoon is something that we might read about in a work of fiction, not something that should happen in a modern system of justice. This family have been badly let down. There has been a serious lack of communication between Departments and agencies, including the Crown Prosecution Service, which has prevented the man responsible for James's death from being brought to justice.

The United Kingdom has among the largest migrant, resident and naturalised populations in Europe, and has sought to expand deportation in response to sharply

[Keith Vaz]

increased migration pressures. The pace of legal developments in asylum and immigration throughout the 1990s and in the new millennium has been phenomenal, with four major Acts of Parliament being passed in the last decade. Often, the term "deportation" is not used in favour of removal, of which there are two sorts—judicial and administrative.

Judicial removal occurs following a criminal court's decision that an applicant could be served a removal notice. Under section 24 of the Immigration Act 1971, criminal offences subject to those removal provisions include failing to observe a condition attached to the leave to remain that is granted to all non-European Union citizens entering the United Kingdom—for example, working without permission.

More broadly, anyone over the age of 17 and "subject to immigration control" may be recommended by the court for deportation if convicted of an offence punishable through imprisonment. In other words, all non-citizens, if convicted of a crime, are potential subjects for deportation.

Administrative deportation is, however, far more common and targets individuals who are residing in the United Kingdom without permission. Such individuals are directly targeted by the removal branches of the Home Office. Under the normal process, individuals receive a standard letter advising that he or she has no right to remain. That letter might be followed by further correspondence and a formal order.

The bulk of the people deported from the United Kingdom is made up of those who have already been detained by the state. From the information I have received from the Solicitor-General's office, Mr. Yin was administratively removed as he may re-enter the United Kingdom at any time. The hon. Member for Gainsborough (Mr. Leigh), the Chairman of the Public Accounts Committee, said:

"The Immigration and Nationality Directorate has a target to effect as many removals per month as there are new unfounded cases. Despite a massive increase in expenditure on immigration enforcement to £300 million a year, IND has not yet come close to meeting this target."

According to section 3 of the 1971 Act, people who are not British citizens may be deported from the United Kingdom in certain circumstances. The law states that any person can be deported if they have transgressed immigration rules. In all cases, the immigration rules require that the Secretary of State will take into account all relevant factors known to him before a decision to deport is taken.

It appears that the chaos of the asylum system, with a catalogue of failings including mismanagement and near-shambolic record keeping, has resulted in James's killer escaping justice and his family being left high and dry at the hands of the legal system. But we do not know, as no one bothered to tell the family precisely what has happened.

What we know is that, following irregularities in Mr. Yin's visa, he was deported to China. From information obtained from the Solicitor-General, we know that he was removed from the United Kingdom. As I have said, that is similar to deportation. As I have also said, he can re-enter the country. He may even be back in Britain, for all we know.

James Bishop's case was brought to my attention when James's step-father, Robert Payling, came to see me at my surgery. Mr. and Mrs. Payling both work locally in Leicester and they describe their son as

"a very loveable young man, friendly and enjoying life."

Mr. Payling has told me of the immense amount of work done by Mr. Bishop. They are a close-knit family who loved their son.

James, who was 29, worked as a flight attendant for Thomas Cook Airlines. He had been living in Manchester for seven years before the accident on 22 June last year. He was walking home at about 10.30 pm when the accident happened. When he tried to cross the road, he was hit by a pizza delivery car, causing injuries that proved fatal, and was pronounced dead about half an hour later. Subsequently, the family were informed about James's death. The police investigated and prepared a case, which was submitted to the Crown Prosecution Service. As a result, Mr. Yin, who was in the United Kingdom apparently on a student visa from China, was charged with driving without due care and attention.

What makes the Payling case stand out are its implications. Recently, the Government proposed fresh legislation on immigration to tighten borders and protect citizens. This case is evidence that if Government Departments fail to work together, the law fails citizens, as it has done in this case. If the Home Office had made the necessary inquiries into Mr. Yin's criminal record and liaised with the Crown Prosecution Service, it would have been able to identify that Mr. Yin was in the midst of being tried. That failure poses grave concerns for our modern justice system, which is viewed as a model and has become a framework for other countries.

Since the beginning of the trial, there has been a catalogue of serious errors. As I mentioned previously, I have not yet received a reply from the Home Office as to what happened in this case and the exact reason why Mr. Yin was deported before the hearing on 4 July. I am not sure whether the Solicitor-General has received a reply to his letter to the Home Secretary, although yesterday in Solicitor-General's questions, in answer to me, he said that there had been a number of "mistakes". Between 28 January 2005, and 4 July 2005, the case was listed before Salford magistrates court on five occasions. When the matter first came before the court on 28 January, Mr. Yin was not represented. The case was linked with that of the company that owned the pizza delivery car, By the Slice Ltd., whose vehicle Mr. Yin had been driving at the time of the accident. An application was made at the first hearing by the Crown to amend the summons leading to an adjournment from 28 January 2005 to 18 February 2005.

On 18 February 2005, the court was made aware that Mr. Yin had just instructed solicitors, Kristina Harrison and Co. of Salford, but that they had not yet received full instructions, and no paperwork had been passed to them by their client. That application was therefore adjourned to obtain paperwork, and the application was granted by the court. The case was re-listed on 4 March 2005, when it was adjourned for legal arguments to be filed in relation to the case against the owners of the vehicle. On 11 April 2005, the case was re-listed. The solicitors acting for Mr. Yin asked for further

information and, at that stage, indicated a possible guilty plea. The case was adjourned to 26 April 2005. On that date, a not guilty plea was entered and the defence indicated their intention to instruct an expert, although they said that they had not yet received authority from the Legal Aid Board to do that. The case was adjourned again to 23 May 2005. On 23 May 2005, the defence had not yet received their expert's report, and the court ordered that the report be obtained and served on the Crown for conclusions and consideration no later than 30 June 2005.

The Crown Prosecution Service was first made aware that Mr. Yin had been removed from the country when Mr. Bishop contacted the Salford CPS office on 21 June 2005 indicating that he had been informed that the defendant had apparently been deported for visa irregularities. As a result of that call, the CPS endeavoured to speak to the defendant's solicitors, not the Home Office, but was unable to do so and left a message on their answering machine. On 27 June 2005, a letter was received from Kristina Harrison solicitors stating that they had now learnt that Mr. Yin had been deported but had no further information. Let us imagine how the family had to hear this news—it was not from the Home Office or the CPS. We hear a lot about codes of practice on such matters, but none of them ensured that the victim's family were informed as to what had happened.

The CPS contacted the immigration department, which confirmed that Mr. Yin was indeed removed from the United Kingdom on 18 June 2005, nine days before, but the representative of the immigration department was only able to confirm that the defendant was removed with his passport, and unable to provide any further detail other than to give a reference number. Further details had been requested via the police, but no reply has been received.

Following my letter to the Solicitor-General, he made further inquiries to ascertain the exact position with regard to Mr. Yin's status. Unfortunately, the only information that could be obtained was that he had been removed from the country, which of course everyone already knew. On 4 July 2005, the case was adjourned for the Crown to ascertain the exact position with regard to Mr. Yin's status. The matter was relisted on 18 July, when the Crown made an application to adjourn sine die and the court granted such an order. The case was relisted on 18 July by the Crown, which applied for and was granted an order to preserve proceedings. If the case could ever be recommenced, it would try to do so.

The Solicitor-General and I have yet to receive a letter from the Home Office. A Home Office spokesman told the *Leicester Mercury*

"If the Immigration Service is informed of any outstanding criminal charges, these will be taken into consideration before a removal is enforced.

If, after being removed, it comes to light that there are outstanding charges, it is for the police and the CPS to consider making an extradition request to the country to which the person has been removed."

The fact of the matter is that the CPS had failed to inform the Home Office, and Mr. Yin has escaped his trial. We still do not know what is happening.

What a mess. What a catalogue of incompetence. What an indictment of our expensive and so-called modern system of justice. Deportation is the exclusion of an alien from a country by the act of a Government. Losing a child must be one of the most devastating things that can ever befall a parent. After all this time, numerous questions remain unanswered. I have given the Minister notice of them, and here they are.

Why was Mr. Yin deported before the hearing on 4 July? Why did the Home Office not inform the Crown Prosecution Service? Why did the Home Office not inform the courts? What was the cost to taxpayers of the debacle? What steps are being taken to ensure that such a lack of co-operation never happens again? When does the Home Office intend to reply to the Solicitor-General and me? What will it do about giving the family a detailed account of what happened? What steps have been taken by the Home Office and the Foreign Office to ensure that the First Secretary of Immigration in Beijing knows precisely what has happened, in case a reapplication is made? Do we know whether Mr. Yin is back in the United Kingdom? Is there a file on him anywhere in the Foreign Office? How many other people have been removed in similar circumstances? Those questions need to be answered before there can be closure for the family, the wider community and anyone who has to go through this again.

Our criminal justice system is full of good people operating well in what seems to be a bad organisational framework. We need those good people, and this Minister, to make the system work better.

2.48 pm

The Parliamentary Under-Secretary of State for the Home Department (Andy Burnham): I thank my hon. Friend the Member for Leicester, East (Keith Vaz) for initiating the debate. As he said, it deals with a terrible tragedy and some difficult issues. He spoke, however, in a characteristically measured and assiduous way, and I want to help him in whatever way I can to secure the full facts of the case.

I extend my sympathies and those of the Government to the Bishop and Payling families, who have suffered greatly from the loss of their son in terrible circumstances, but have not yet been able to see a legal resolution of the tragedy.

My hon. Friend focused my attention on this specific case, and I thank him for doing so. I know that he wrote to my right hon. Friend the Home Secretary on 5 October, seeking answers to some of the questions that he has put before the House today. Work is ongoing in the Home Office to establish the full facts. I am afraid that I am not in a position today to answer all his questions in detail, but I assure him that we will conduct a full review of the circumstances that led to this situation. We will of course share the findings with my hon. Friend and the families concerned. I shall give some general information on the policy of removal and deportation where criminal charges are outstanding, and answer, where I can, some of the questions that my hon. Friend raised.

I should stress at the outset that, as my hon. Friend acknowledged, there is of course a difference between deportation and administrative removal of an overstayer by the immigration and nationality directorate. Since 2 October 2000, deportation has been reserved for more serious cases, with less serious cases—for example, overstayers who work in breach of their

[Andy Burnham]

conditions, and those who seek, or gain leave, to remain by deception—being dealt with under section 10 of the Immigration and Asylum Act 1999.

Since October 2000, the use of deportation has been mostly confined to cases where a foreign national has been convicted of a criminal offence and their deportation is recommended by the court as a part of their sentence. It is also possible for someone to be deported if doing so is deemed conducive to the public good: if, among other things, he has been convicted of a serious offence or has a series of comparatively minor convictions, and where the court has for some reason not recommended deportation; or if he has been deemed to represent a threat to public policy, public health or public security.

Deportation is not an alternative to a prison sentence, and the person concerned is normally expected to serve his full term of imprisonment before being deported. To do otherwise could be seen as treating a criminal from abroad more leniently than a British citizen. The victim or the victim's family could also feel that the person had not been suitably punished for his crime.

Immigration offenders—illegal entrants, overstayers or people who breach the conditions of their leave by, for example, taking employment when the terms of their leave prohibit doing so—are not deported. Instead, they are subject to administrative removal by the immigration service under the provisions of the Immigration Act 1971 and the 1999 Act. It is important to distinguish between administrative removal and deportation. I believe that the case that my hon. Friend has brought before us today was an administrative removal, rather than a deportation, and for that reason different processes will apply.

Keith Vaz: I know that when a person is deported from this country, a cross is put on their passport by the immigration authorities. Is there any indication on the passport of a citizen of another country that they have been removed, rather than deported?

Andy Burnham: I shall make the position absolutely clear to my hon. Friend when we reply to him with the full facts of this case, but I want to assure him today that when somebody has been removed from this country, the immigration service retains for future immigration purposes a record that would of course form part of their immigration history, should it be inquired into. I shall also get back to my hon. Friend on the specific issue of the passport.

The key difference between deportation and other forms of removal is that a deportation order prohibits a person from returning to the UK, as my hon. Friend said, until such time as the order may be revoked. Administrative removal, however, includes no such provision, and a person may seek to return to the UK at any time, so long as they comply with the requirements of the immigration rules.

There might also be some ambiguity about precisely when criminal proceedings commence. Strictly speaking, they commence when the accused is charged, but of course, he may well be arrested before that. It is not the policy of the immigration service to seek to remove someone from the UK once it is aware that the person has been charged with a criminal offence until such time—I stress this point to my hon. Friend—as the criminal proceedings have been completed. That being the case, it would not normally be necessary to inform either the Crown Prosecution Service or the courts of the arrangement for the person's removal as there would no longer be any involvement in the case.

Where an illegal immigrant or an overstayer is arrested for a criminal offence, consideration is initially given to prosecution, and the suspect is interviewed at a police station in accordance with the Police and Criminal Evidence Act 1984. In those circumstances, if it is clear that the person concerned has no right to be in the UK and the arrest is for a criminal offence under the Immigration Acts or is considered to be relatively minor, the immigration service may decide administratively to remove the person from the UK rather than prosecute them. At that point, the person is taken out of police custody and detained or released, using non-criminal immigration powers.

I want to stress another point to my hon. Friend. Before a person is placed in immigration detention, it has been the normal procedure of the immigration and nationality directorate over the last two to three years—a recent change—to check the individual's details on the police national computer database. That now happens in all cases. It should show up whether or not there is an outstanding arrest warrant or any charges laid against the person concerned. In this particular case, we have to find the full facts of what exactly happened—whether such checks were made and what information came back to the IND. I can assure my hon. Friend that he will receive a full and clear answer.

I should also emphasise to my hon. Friend that removal action would not be appropriate where the person concerned is accused of an offence, particularly a serious offence. That is the policy of the IND today. In those circumstances, the Government's position is that, pending the completion of those proceedings, the individual would not be removed. That being the policy, those questions go to the heart of the matter and we must get to the bottom of what happened.

My hon. Friend said that if the Home Office had made the necessary inquiries into Mr. Yin's criminal record and liaised with the CPS, it would have been able to identify that he was in the midst of being tried. I was listening carefully to my hon. Friend when he made those remarks and I shall ensure that he receives satisfactory answers to those points when we respond to him in detail.

My hon. Friend set out before the House some nine or more questions that are germane to the issues before us. As I said earlier, the IND carries out checks on all people placed in detention and it is possible that, in this particular case, the immigration service was unaware of the ongoing charges against this particular individual. That is the nub of the matter and we will try to supply my hon. Friend with the fullest possible answer.

My hon. Friend asked what steps were being taken to ensure that the lack of co-ordination never happens again. If there are lessons to be learned, it is vital that we learn them. That is also crucial for the Bishop and Payling families: like any other family, they would accept nothing less and are determined to ensure that it does not happen to another family.

Keith Vaz: I am grateful for my hon. Friend's remarks. I understand that he does not have all the facts today and that he will contact me, but may I have some timetable for that? I wrote to my hon. and learned Friend the Solicitor-General in August and it is now nearly November. My hon. Friend will need to investigate before he can write to me with the information, but we need a timetable so that we can achieve closure on this matter; otherwise it could just go on for ever.

Andy Burnham: The case has only recently come to my attention as a result of this debate. I give my hon. Friend my personal guarantee that I will get back to him at the earliest opportunity to place the full facts before him. Once we have those full facts and we know the full circumstances of this sad and tragic case, and if lessons need to be learned and action taken to prevent it from happening again, I categorically guarantee that that will happen.

Question put and agreed to.

Adjourned accordingly at Three o'clock.

House of Commons

Monday 31 October 2005

The House met at half-past Two o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

WORK AND PENSIONS

The Secretary of State was asked—

Pension Reform

1. **Lynne Featherstone** (Hornsey and Wood Green) (LD): Whether he plans to bring forward legislation on pension reform in this Parliament. [22501]

The Secretary of State for Work and Pensions (Mr. David Blunkett): As the hon. Lady will know, the Turner commission will report on 30 November. Ministers will then have the chance to respond and to continue the dialogue that is taking place across the country to gain a consensus—between political parties, I hope, as well as across the nation—on the way forward. The Prime Minister indicated at the beginning of October that we would make decisions during the next 12 months about the progression of the Government from that point, and at that stage we will of course make a statement to the House.

Lynne Featherstone: Given that the Minister's judgment has been so publicly brought into question in recent times, does he believe that he remains in a position to secure the consensus that he mentioned in a divided Cabinet over the urgent need radically to reform the pensions system?

Mr. Blunkett: All new Members can be forgiven for misunderstanding what Question Time is about. The reception that my Ministers and I—I am sure that this is also true of the main Opposition party—have received when we have gone round the country discussing pensions is very simple. People want us to take the matter seriously and to have stable and secure solutions for the future. Above all, they do not want a party political knockabout. If the hon. Lady learns that lesson, she will have learned something worth while for the future.

Mr. David Drew (Stroud) (Lab/Co-op): My right hon. Friend will know that some of us are very grateful to the Government for the financial assistance scheme, which is the responsibility of his Department and the Department of Trade and Industry. I am grateful for the help that has been given in my constituency to people with the Lister Petter pension scheme. However, we now need to look forward in order to assist those who are not in line for the immediate first tranche of help. About 20 people have been helped already, but hundreds more need to know that the Government are committed to bringing forward proper procedures to help them, as it is through no fault of their own that their company pension schemes have been liquidated. Can my right hon. Friend give an opinion on that?

Mr. Blunkett: I appreciate the nature of the question. It is a terrible thing for those who have been so badly affected by the collapse of these schemes. We now have the operation up and running. The unit has received the necessary material from 17 of the schemes, and we sincerely hope that we will be able to make the first payments before Christmas. However, there is also a long-term issue. My Ministers and I have been receiving representations from Members and from those representing previous work forces across the country. We are deeply sympathetic to trying to find a way forward in future.

Sir George Young (North-West Hampshire) (Con): On pensions reform, is it the Government's view that the regime for local government employees should be broadly the same as that for civil servants?

Mr. Blunkett: My right hon. Friend the Deputy Prime Minister has been chairing the tripartite forum to endeavour to find a solution that meets the statutory requirements to balance the books and deals with the separate issue of how this equates to public service pensions more generally, which is being dealt with by my right hon. Friend the Secretary of State for Trade and Industry. It is important that people have choices about their retirement. It is also important that they are aware of the consequences of the particular age at which they retire and the longevity that they can expect. All of us, whether in the public or private sector, have to take that on board personally.

Mrs. Joan Humble (Blackpool, North and Fleetwood) (Lab): Whatever comes out of the Turner report and the programme for pensions reform, will my right hon. Friend ensure that there is a detailed programme of education and information so that members of the public can make the informed choices that he mentioned, and especially so that young people can plan for their future and decide which of the many different savings vehicles and pension plans is the right one for them?

Mr. Blunkett: I am absolutely certain that the Pensions Commission will have a lot to say about the nature of such information and the education programme that goes with it. One thing that is clearly shining through—I think that Members will have felt it themselves—is that if we can make the system as simple and understandable as possible, so that people are not faced with impossible choices, we might be able to connect young people with what appears to be a very distant future, and the fact that they may spend nearly as long in retirement as in work.

Sir Malcolm Rifkind (Kensington and Chelsea) (Con): The Secretary of State for Work and Pensions was speaking yesterday of the benefit of hindsight. With the benefit of hindsight, does he agree that the Prime Minister made a very foolish mistake in asking the Secretary of State for Trade and Industry, and not the Secretary of State for Work and Pensions, to negotiate the question of pension reform with the public sector unions? Does he agree that that is an example of the crumbling confidence that the Prime Minister appears to have in his efforts? Will he endorse the outcome of the Secretary of State for Trade and Industry's discussions, which have ensured that for millions of people in the public sector it will be 40 years before their 60-year retirement age ends, while people in the private sector are being told that they may have to work for years longer than 65? Will those discussions help him to achieve consensus on pension reform?

Mr. Blunkett: That is a very good try. The confidence that the shadow Secretary of State appeared to have in me crumbled within 10 seconds. The decision was taken on who should continue to handle public sector pensions, namely the Deputy Prime Minister and the Secretary of State for Trade and Industry, on 6 May, and I do not think that I had taken office when that decision was taken, so nothing has crumbled. I can tell the right hon. and learned Gentleman that 85 per cent. of the due costs will be met by turnover in the public service pension programme, which was announced by my right hon. Friend the Secretary of State for Trade and Industry. Negotiations are continuing within the framework that has been laid down and within the particular sectors affected.

Mr. Denis MacShane (Rotherham) (Lab): My right hon. Friend is a very youthful, energetic, virile kind of chap with many years of service on the Front Bench. Will he welcome the German Government's decision to move the retirement age in Germany from 65 to 67? Bismarck chose a retirement age of 65 at a time when the average life expectancy of a German worker was 49, which resulted in a wonderful pension scheme—everybody paid in, and, if they lived, they waited until they were 65 to draw out. We live in a different world, and I urge my right hon. Friend to get away from 60, 65 and any other arbitrary age limit and to bury the idea that there is a time when people must retire or when he must leave the Front Bench.

Mr. Blunkett: I plead guilty to being energetic—my virility has been over-exaggerated. Bismarck had the foresight—which is a great asset for a politician as well as hindsight—to see how the world was moving. If we have the foresight to see what the 21st century holds, we will get it right not only on the public sector, but for the nation as a whole.

Mr. David Laws (Yeovil) (LD): On pensions reform, will the Secretary of State assure us that nothing will distract him from pursuing that vital agenda? On the public sector pensions deal, at a time when Lord Turner is considering later retirement, is it really sensible to allow a deal to be struck where public sector workers who have not even joined the public sector yet will be allowed to retire at 60 in 2048? Is that really consistent with what Lord Turner is looking at?

Mr. Blunkett: On the first, rather pathetic point, the answer is no. On the second point, my right hon. Friend the Secretary of State for Trade and Industry has announced that from next year people joining the schemes will have a retirement age of 65. The hon. Gentleman should consider what has been said, rather than the mythology that he has peddled this afternoon.

Kelvin Hopkins (Luton, North) (Lab): With the repeated failures and what now looks like the lingering death of private pension provision, will my right hon. Friend accept that to ensure secure pensions in future we must re-examine the state and start where Barbara Castle left off with the state earnings-related pension scheme?

Mr. Blunkett: We should look to the state, to the individual and their responsibility and to employers. If we can get a tripartite approach that balances those different elements, we will have a pension scheme that is viable for the future and that provides people with the necessary retirement income to see them through the extra nine-to-12 years that they now live compared with 40 years ago, when Barbara Castle dealt with the issue very well. If we had only been able to see then the longevity that exists now, we might have been able to put a more secure and stable scheme in place.

Child Support Agency

2. **Andrew Selous** (South-West Bedfordshire) (Con): If he will make a statement on the future of the Child Support Agency. [22502]

The Secretary of State for Work and Pensions (Mr. David Blunkett): In April, we appointed a new chief executive for the Child Support Agency. When I took office on 6 May, I asked him to undertake a root and branch review of both operation and service delivery, and that report will be available within a matter of weeks. We intend to place the report before the House, to place ourselves in front of the Select Committee and to negotiate with the House authorities on obtaining a proper debate on the report, which will open up the issues and ensure that we get it right for the future at last.

Andrew Selous: May I recommend that the Secretary of State takes a plane trip to Australia, where he will find a child support agency that gets more money than our CSA to parents caring for children? The Australian CSA helps to look after the emotional needs of non-resident parents, rather than just extracting money from them, and it is about to help families to stay together in the first place through a network of family relationship centres. Those lessons are valuable. What reassurance can the Secretary of State give us that he will learn from them?

Mr. Blunkett: The first part of the hon. Gentleman's question constituted the best offer that I have had for several days, and I shall certainly take him up on it.

I take the second part very seriously, however. We must take every possible step to avoid breakdown. We need, and have discussed, a gateway or ameliorative process to ensure that when relationships do break down, no bureaucratic machinery is involved in dealing with the consequences, but above all to remind people that the CSA was established—by a Conservative Government—because individuals were not prepared to take responsibility for their actions. We are trying to remedy a breakdown in civil society, not just a breakdown of the bureaucratic processes.

Mr. George Mudie (Leeds, East) (Lab): A constituent of mine should be paying £264 a month, but is paying £483 for one child under the old scheme. He is paying £220 a month too much, and is understandably angry and bitter about the unfairness of the scheme. He has been waiting for two years for the old scheme to be merged with the new one.

The Secretary of State suggested earlier that papers would be produced, and that a debate would take place. Is he telling us that there will be no early move to transfer old cases to the new scheme? If so, that is very bad news for thousands of people.

Mr. Blunkett: A quarter of a million cases have been moved to the new system, but the conflict within the families concerned—for every gainer there is a loser, such as my hon. Friend's constituent: a gain means a loss for the recipient—means that there is an unwillingness to transfer voluntarily to the new scheme. In such circumstances, we must get the information technology right. One reason why the process has taken so long, and why I am determined to be absolutely transparent and honest about the difficulties when we produce the report, is that misleading people into believing that something can be done and then creating bureaucratic administrative chaos leaves those who are most in need at the receiving end of the failure. I am determined that, following all the effort invested by my predecessors, we will get it right this time.

Mr. Mike Weir (Angus) (SNP): Last week, summing up a debate in Westminster Hall, the Under-Secretary of State for Work and Pensions, the hon. Member for Warwick and Leamington (Mr. Plaskitt), gave the following welcome assurance:

"We have undertaken that there will be no reduction in front-line staff working in the agency until we are absolutely sure that the system is robust and working."—[*Official Report, Westminster Hall*, 26 October 2005; Vol. 438, c. 122WH.]

Can the Secretary of State tell us how he would define "front-line staff"? Would they include the enforcement and criminal compliance team, and those who are involved daily in firefighting the various problems of the failing IT system in local offices?

Mr. Blunkett: In fact, we have increased the number of staff substantially over the last three months. Yes, those involved in direct enforcement are front-line staff, which is why we have been transferring back-office activity to the front line, using the product of information technology. I believe that we now have 2,000 staff on the enforcement programme. Obviously, clear signals and messages must be sent if people are to be compelled to pay.

Mr. Frank Field (Birkenhead) (Lab): Will the Secretary of State assure us that when he presents the House with a programme to reform the CSA, he will pay special attention to the 100,000 people who have been assessed for maintenance and have refused to pay a penny—unlike the constituent of my hon. Friend the Member for Leeds, East (Mr. Mudie)? Is it not a fact that the addresses of many of those 100,000 people are unknown to the CSA? Other countries that have experienced the same problem have devised a "bounty hunter" system, under which officers are paid only if they find those who refuse to pay maintenance. If we had such a system in this country, would not many more children receive maintenance, and would not taxpayers face smaller bills?

Mr. Blunkett: I am prepared to consider most options for following up recalcitrant parents and trying to find those who owe money—both to their partner and often to the state—but I do not believe that the bounty-hunter system would fit with our culture. If my right hon. Friend has any other ideas, I would be pleased to hear from him.

Mr. Paul Goodman (Wycombe) (Con): It has been claimed that, since his appointment, the Secretary of State has given advice to DNA Bioscience about CSA contracts. So far, those claims have not specifically been denied. To clear up the matter, will he either deny or confirm them?

Mr. Blunkett: I am happy to say that I have done no such thing.

Private Memorials

3. **Mr. Brooks Newmark** (Braintree) (Con): What steps he is taking to provide local authorities with guidance on (a) the circumstances and (b) the manner in which it is appropriate to interfere with private memorials on the ground of safety; and if he will make a statement. [22503]

The Parliamentary Under-Secretary of State for Work and Pensions (Mrs. Anne McGuire): The Local Authorities' Cemeteries Order 1977 gives local authorities that act as burial authorities wide powers to carry out whatever they consider necessary or desirable for the proper management, regulation and control of cemeteries, and specifically to put and keep in order any tombstone or other memorial. In addition, a considerable amount of guidance on memorial management and safety standards has been published by the relevant professional and representative bodies.

Mr. Newmark: Does the Minister appreciate that a vicious circle of referrals and consultations has developed since the issue first came to light in 2000? For the past five years, people such as my constituent, Margaret Archer, have had to suffer interference with the graves of their loved ones and local councils have had to bear the brunt of criticism for a policy that they did not choose to initiate. Why have the Government taken so long to produce clear advice?

Mrs. McGuire: May I first put the situation in context? I am sure that the hon. Gentleman is aware of it. In the past six years, serious accidents, including three

fatalities, have occurred in graveyards through memorials toppling over. In 2000, guidance was drawn up to highlight a range of options to make memorials safe. The Health and Safety Commission chairman was concerned that some local authorities were perhaps being over-zealous in their interpretation of the guidelines. I note that he wrote to local authorities. There have been significant difficulties in trying to form a consensus on what needs to be done, not least because of the spectrum of organisations, ranging from large local authorities to small churchyards, that manage burial grounds. We await advice from the advisory group and I am sure that the hon. Gentleman and the House will be advised in due course.

Unemployment

5. **Mr. James Gray** (North Wiltshire) (Con): If he will make a statement on the claimant count level of unemployment. [22506]

The Minister for Employment and Welfare Reform (Margaret Hodge): Latest figures show that claimant unemployment stands at 875,500. Despite recent rises in the claimant count, it remains historically low. In the past year, employment has continued to increase with more people in work now than ever. Economic inactivity has fallen and, overall, the number of people on out-of-work benefits is down.

Mr. Gray: I am grateful to the Minister for her answer but does she agree that it is important that she should not be thought to verge on complacency? She did not say that the figure in September is 8,200 up on a month earlier and 39,500 up on a year earlier. All the figures demonstrate that the trend is upwards. If we are to believe her that the figures are good news, will she stake her reputation as a Minister on their being back down again 12 months from now?

Margaret Hodge: I can assure the hon. Gentleman that we are far from complacent. Indeed, I am currently examining the reason for the small rise in the claimant unemployment count. It is interesting that more people are not coming on to that count. However, people are staying on it for longer and we need to track what is happening to cause that longer period out of work. It would not be right for me to give an assurance about the position a year from now. However, I assure the hon. Gentleman that I shall make every endeavour to ensure that we maintain the strong figures on employment, which is up by more than 100,000 in the last quarter, more than 300,000 in the past year and more than 2.3 million since we have been in government. We are proud of that record and we intend to sustain it.

Dr. Ashok Kumar (Middlesbrough, South and East Cleveland) (Lab): May I tell the Minister that more people are working in my constituency today than at any time when the Conservatives were in power? It is a great credit to this Government that unemployment has dropped by 50 per cent. in my constituency. I am slightly concerned, however, about the slight increase in the claimant count. The Minister recently introduced the building on the new deal programme for Gateshead and Tyneside. Will she, in a sympathetic moment, extend it to the Tees valley and my constituency? Then we could really put an end to the great social concern of unemployment for all our constituents.

Margaret Hodge: We have an unparalleled record of dealing with unemployment, particularly youth unemployment. We have got rid of the scourge of youth unemployment from the face of Britain. We have also had huge success with our new deal programmes, including the new deal for young people, the new deal for lone parents—which has resulted in an 11 per cent. increase in their employment rates—and now the pathway pilots for incapacity benefit reform. I can assure my hon. Friend that we will spread to all parts of the country the best practice from a range of initiatives taking place across the country, as we aspire to achieve even higher levels of employment in Britain.

John Bercow (Buckingham) (Con): Given that minimising the regulatory burden is vital to the creation of wealth and jobs, will the Minister tell the House what discussions she has had with the Secretary of State for Trade and Industry about the merits of the Regulatory Flexibility Act 1980 and the Small Businesses Regulatory Enforcement Fairness Act 1996 in the United States?

Margaret Hodge: The answer to the hon. Gentleman's clever question is that I have not had any such discussions. I shall write to him when I have familiarised myself with those pieces of legislation, and, if they are relevant to my job, I shall ensure that I do undertake such discussions.

Geraldine Smith (Morecambe and Lunesdale) (Lab): May I tell the Minister that unemployment has gone down dramatically in my constituency since we have had a Labour Government, but that there are still problems in seaside resorts? Will she take that on board, and give me an assurance that unemployment will not reach 3 million again, as it did under the previous Tory Government?

Margaret Hodge: I can give my hon. Friend an absolute assurance that we would not damage the economy in the way in which the Conservatives did, which resulted in high levels of unemployment and in mortgage and home ownership collapse, along with many other examples of a poorly run economy. My hon. Friend made the serious point that we need to look right across the country at the areas that suffer particular challenges. I hope that, as we develop a more flexible response to unemployment and inactivity in the labour market, we shall be able to have a greater impact on those particularities in her constituency, which are also features of so many hon. Members' constituencies in relation to employment and unemployment.

Mr. Tim Boswell (Daventry) (Con): Could not the Minister show a little less bluster and rather more concern that the claimant count has risen for eight consecutive months? That is the longest uphill run of such claims for 13 years. In relation to the Minister's direct responsibility, apart from laying on a rolling

programme of cuts to the Jobcentre Plus service in the name of economy, does she intend to do anything positive about that deplorable trend?

Margaret Hodge: I would have hoped that a Front-Bench spokesman for Her Majesty's Opposition would look at the figures in the round. If we do so, we can see that there is plenty of good news. The employment rate is now higher than it has been for decades, with more than 2.3 million more people working today than in 1997. Most importantly, we are beginning to tackle the inactivity in employment that was a feature of Britain for generations, and which the Conservatives never attempted to tackle. We now have more than 1 million lone parents in work, and for the first time in decades the number of people on incapacity benefit is beginning to decrease. That is a record of which we are proud. Having said that, as I said in answer to a previous question, we are not complacent about the small rise in the claimant count, which is not because of more people coming on to jobseeker's allowance but because they are staying on it for a little bit longer. I am considering the reasons for that trend, so that I can take appropriate action to reverse it. We have an economy and labour market that are second to none and unparalleled in the world.

Pension Protection Fund

6. **Mike Penning** (Hemel Hempstead) (Con): If he will make a statement on the Pension Protection Fund. [22507]

8. **Mr. Stewart Jackson** (Peterborough) (Con): What recent meetings he has had with the business community regarding the operation of the Pension Protection Fund. [22509]

The Minister for Pensions Reform (Mr. Stephen Timms): The Pension Protection Fund opened its doors on 6 April. It compensates members of eligible defined benefit pension schemes if the employer becomes insolvent and the scheme is underfunded so that it cannot pay benefits at least equal to PPF levels of compensation. I discussed the operation of the fund with the new trustee panel last week, and with the chairman of Nestlé UK earlier this month.

Mike Penning: I thank the Minister for that answer. I am sure that the Pension Protection Fund will help people who pay into pensions in future if they have their pensions stolen, as has happened to former Dexion workers in my constituency. The PPF will not help them today, however, and I hope that the financial assistance scheme will be rolled out by Christmas. When the Secretary of State meets my constituents in the next couple of weeks, will he give them a firm date as to when they are likely to get the compensation that they deserve? Will he not rule out getting funding from sources other than the pension fund that already exists?

Mr. Timms: The hon. Gentleman is right to draw attention to the benefits of the PPF in protecting schemes when employers hit problems in future. As he rightly says, however, that is not the case with the Dexion scheme, the wind-up of which commenced before April 2005. The financial assistance scheme is therefore likely to be helpful. I know that Dexion is being considered for entry to FAS at the moment, and I think that the FAS unit has asked for some further information from the Dexion trustees in order to finalise the decision. I know that the hon. Gentleman is meeting my right hon. Friend the Secretary of State shortly, and my right hon. Friend will certainly want to bring him up to date with the latest developments.

Mr. Stewart Jackson: The Minister will know that the PPF will this year receive some £300 million through a levy. Is he concerned that the independent consultants Hymans Robertson have estimated that as much as £1.5 billion will be needed next year? Do the Government agree with that estimate, and what impact would that have in future years on the risk-based levy?

Mr. Timms: I have seen that figure and several other large-sounding figures being quoted. The PPF is consulting at the moment on the basis for calculating the levy, and will publish its proposals at the end of November. The initial estimate was based on circumstances in December 2003, and changes since then, for example, on interest rates, will no doubt have some impact. The PPF understands extremely well the need to keep the burden manageable for the funds that are paying the levy. I caution the hon. Gentleman against placing too much credence on some of the figures quoted, such as that to which he refers. The fund will publish the outcome of its consultation exercise at the end of next month.

Dr. Julian Lewis (New Forest, East) (Con): The Minister will recall his previous meeting on the question of APW Electronics based in Eastleigh. At least four of my constituents and many more in Eastleigh and Southampton lost 80 per cent. of their pensions when their trustees were forced by a foreign-based arm of the firm to accept a deal that cost them that on pain of the company otherwise going into liquidation. Throughout the country, only about half a dozen companies are in that situation, and they are not covered by the protection scheme that has been set up or the financial assistance scheme. Can he do something to restore the stolen pensions of my constituents and the constituents of others?

Mr. Timms: I do recall the discussion that we had. As I said to the hon. Gentleman on that occasion, it is our view that, where there is still a solvent employer, as there is in that case, that employer has a duty to ensure that the obligations that it has entered into are honoured. Therefore, he needs to look to the employer to put things right.

Mr. Pat McFadden (Wolverhampton, South-East) (Lab): The PPF and the financial assistance scheme are welcome new measures of protection, but does the Minister agree that there is still a need for advice about how the schemes will operate? For example, in my constituency, many former employees of UPF Thompson Chassis do not know what pension they will be entitled to. Some do not know whether they will be entitled to a pension at all. What steps is the Department taking to communicate with workers in that position to tell them of their rights under the new schemes?

Mr. Timms: My hon. Friend will find good information, for example, on the Department's website, and the PPF has its own website. There are pages on our website about the financial assistance scheme. If there is any further information I can provide to him or to his constituents, I will be happy to do so.

Mr. Nigel Dodds (Belfast, North) (DUP): May I draw the Minister's attention to the case of the workers at Richardsons IFI plant in north Belfast, for whom the PPF has come too late, although it is a welcome initiative? That company was 49 per cent. owned by ICI, and 51 per cent. owned by the Irish Government. As well as providing assistance from other sources, can the Minister, in his discussions with the Irish Government, put some pressure on them at least to fulfil their morale obligations to the workers of that company and to provide them with a decent pension for the future?

Mr. Timms: The best thing I can do in response to that question is to check out the position on that scheme. When I have done that, I will drop the hon. Gentleman a line and let him know how I intend to proceed.

Mr. Nigel Waterson (Eastbourne) (Con): With estimates of up to £1.5 billion for next year's burden of the PPF levy, does the Minister agree with his right hon. Friend the Member for Birkenhead (Mr. Field), who said:

"The levy will, paradoxically, increase the long-term threat of insolvency of sponsoring companies and their likeliness to draw upon the PPF"?

What advice would the Minister give a struggling company with a pension fund deficit and poor cash flow: to pay the levy, or to pay the money into its pension fund?

Mr. Timms: I caution the hon. Gentleman to wait until we know the outcome of the work that the PPF is doing on both the total quantum of the levy and the way in which it will be calculated for individual firms. It is broadly accepted that it is in the interests of schemes and of their members that there be support from the PPF. The principle was well established and well accepted across the House. I hope that, when he sees the final conclusion of the work that the PPF is doing, he will agree that it is a good deal for schemes and their members.

Child Support Applications

9. **Miss Anne McIntosh** (Vale of York) (Con): What the average time taken to process a child support application was in the last period for which figures are available. [22510]

The Parliamentary Under-Secretary of State for Work and Pensions (Mr. James Plaskitt): Between the introduction of the new scheme in March 2003 and September 2005, of those cases cleared, 25 per cent. were cleared in less than six weeks; 22 per cent. were cleared between six and 13 weeks; and another 22 per cent. were cleared between 13 and 26 weeks. Regrettably and completely unacceptably, 14 per cent. took more than a year, bringing the overall average out at 26 weeks.

Miss McIntosh: There we have it. The Government have been in power for eight years and it is still taking at least six weeks to process a child support application. It is totally unacceptable. The assessments are often completely inaccurate. I do not know whether the Minister is aware how much distress that is causing, which is illustrated by the number of people coming into our surgeries. What guarantee will he give that, by June next year, 100 per cent. will be processed within a month?

Mr. Plaskitt: I am perfectly aware of the distress that is caused to constituents when cases do not go well, because they come to my surgery, too. That is exactly the reason why, as my right hon. Friend the Secretary of State said in answer to an earlier question, the new chief executive of the agency is undertaking a root and branch review. We will be in a position to report to the House shortly on the outcome of that. Of course one of the objectives is to get the agency operating better, processing cases more quickly and delivering a better quality of service to our constituents.

Mr. Mark Lancaster (North-East Milton Keynes) (Con): Does the Minister share my concern at the case of my constituent Mrs. Dzialoszynski, who was told that because the information that she provided could not be entered on the computer system, the decision to enter it as a manual payment was made not by the agency, but by the IT consultants who provided the software?

Mr. Plaskitt: Some cases are handled manually, which is not ideal, as it takes a lot longer than automatic processing. We need an improvement in the IT system; that is exactly what we are discussing at the moment with the supplier. That, too, will form part of the recovery process for the agency, which we hope to be able to bring to the House in the not too distant future.

Pensioners (Norfolk)

10. **Mr. Henry Bellingham** (North-West Norfolk) (Con): What steps he is taking to improve services available from his Department's offices to pensioners in Norfolk. [22512]

The Parliamentary Under-Secretary of State for Work and Pensions (Mrs. Anne McGuire): The Government are committed to improving the service provided to all pensioners. The steps in place to improve the services available to pensioners in Norfolk are the same steps that are being taken across the whole of the pension service.

Mr. Bellingham: Until recently, pensioners in my constituency had an extremely good Pension Service office in King's Lynn, which was moved to Norwich and now to Burnley. My concern rests around how my pensioner constituents get proper home visits. I have nothing against Burnley, but it is a long way from west Norfolk.

Mrs. McGuire: The hon. Gentleman is over-egging his own pudding. In fact, there will be no change to home visits. The local Pension Service in the hon. Gentleman's constituency will continue to offer home

visits. My attention was drawn to the fact that as a result of some home visits in his area, pensioners have been able to claim back almost £5,000 in backdated and unclaimed benefits. I reassure the hon. Gentleman that, although the call centre is moving to another part of the country, that will in no way affect the very personal local service that the Pension Service will continue to give to his and other constituents.

Benefit Payment (Errors)

11. **Mr. Andrew Mackay** (Bracknell) (Con): If he will make a statement on the level of error in the payment of benefits. [22513]

The Parliamentary Under-Secretary of State for Work and Pensions (Mrs. Anne McGuire): Although we have made a lot of progress in reducing fraud, we accept that the levels of error remain unacceptably high. We have a duty as a Department to ensure that we administer our benefits as correctly as possible and that our customers are aware of the need to provide necessary information to support their claims and report changes in circumstances quickly. We are also taking steps to increase the accuracy of staff and to encourage our customers to do more to keep their claims correct.

Mr. Mackay: My constituents will think that reply hopelessly complacent. A growing number of them tell me of errors in their benefits claims, which is harmful in many ways. First, it means that people—often the very poorest—are not receiving their correct entitlements; secondly, it means that other people receive too many payments by mistake and find it difficult to pay them back; thirdly, it means that all of us as taxpayers are getting very bad value for money. When is the Minister going to get a grip?

Mrs. McGuire: First, at least this Government measure the level of fraud and error, something the previous Government did not get around to until 1995. I regret that the right hon. Gentleman said that my answer was complacent, because I admitted that error was a cause for concern. We are putting in place the support mechanisms that are necessary to ensure that our staff realise that error, such as the right hon. Gentleman identifies, is not acceptable. There are two issues to error. One is a process issue, in terms of ensuring that the information is entered and followed through properly; the other is ensuring that customers realise that they have a responsibility to keep the information up to date. If we bring those two things together, we will continue to tackle the error in the system. I leave the right hon. Gentleman with this thought; out of every pound that we pay out in benefit, less than 1p is paid out in error. That is quite a good record.

Mr. Bob Blizzard (Waveney) (Lab): Does not the worst error of all occur when a claimant has his benefit stopped completely because he is suspected of making a fraudulent claim, only for him subsequently to prove himself completely innocent on appeal? That happened to a constituent of mine, but before he succeeded in his appeal he was evicted, had a county court judgment imposed on him and lost access to his child. He has now been driven further into poverty and despair. Will my hon. Friend look into that case and at what compensation arrangement can be introduced, so that my constituent can be brought back into society?

Mrs. McGuire: In normal circumstances, we stop benefit only where there is extreme evidence that fraud has been committed. I obviously cannot comment on the specific case that my hon. Friend raises, but I would be delighted to look into it for him if he gives me the details.

Mr. David Heathcoat-Amory (Wells) (Con): Is not the worst single error that of allowing No. 10 Downing street into the benefit payments policy area? Will the Minister confirm the reported view of the No. 10 policy unit that the best way to deal with incapacity benefit payment errors is to reform such payments by means testing them, and to pay at least part of that benefit in vouchers, rather than in cash? Will she confirm that that is Downing street's view, and is it the reason why the incapacity benefit Green Paper that the Prime Minister first promised after the election is now four months overdue?

Mrs. McGuire: First, the Green Paper is not four months overdue: we made it very clear earlier this year that we would publish it in the autumn. In spite of the obvious enticements offered to me by the right hon. Gentleman today, I shall not give him any public information on the discussions that take place in developing a Green Paper. He and his fellow Front Benchers should hang their heads in shame at what happened to incapacity benefit during the 80s and 90s. They put people on to incapacity benefit to disguise the unemployment figures, and left them languishing there for years.

Jobseeker's Allowance

12. **Gwyn Prosser** (Dover) (Lab): What steps he is taking to ensure that new jobseeker claims are expedited in the south-east of England. [22514]

The Minister for Employment and Welfare Reform (Margaret Hodge): I agree with my hon. Friend that more needs to be done to improve the time that it takes to process jobseeker's allowance claims in the south-east. That is why we have already deployed more resources to areas in the south-east where there is the greatest need, and increased the number of telephone lines available in our customer contact centres. In the coming weeks, I shall review the processes currently in place to ensure that they are working as we intended.

Gwyn Prosser: I am glad that steps are being taken to deal with the growing backlog and the huge delays, but does she agree that it would be more sensible to halt the sacking of the hard-working civil servants who serve my constituents in Dover and Deal, until the new computer systems and contact centres are up and running and proven?

Margaret Hodge: No staff member in my hon. Friend's part of the country has been sacked. There has been a slight reduction in the number of staff, but that is

through natural wastage. I hope that by the end of this year, the processing of JSA claims in his constituency will be back to the national target of 12 days that we set ourselves.

Child Poverty

14. **Barbara Keeley** (Worsley) (Lab): What estimate he has made of the number of children lifted out of poverty since 1997. [22518]

The Minister for Employment and Welfare Reform (Margaret Hodge): The latest figures show that the number of children living in relatively low-income households fell, after housing costs, by 700,000 between 1997 and 2004. Eradicating child poverty is a central and ambitious objective of this Government. Tackling poverty is only partly about low income. Action is necessary on many fronts, including health, housing, education and the quality of the environment.

Barbara Keeley: Little Hulton ward, in my constituency, is ranked among the worst 7 per cent. of wards nationally for deprivation. Given that work is the best route of out of poverty, will my right hon. Friend join me in endorsing the Little Hulton children's centre, which, when it opens next year, will combine a Sure Start nursery unit with a crèche for parents involved in training? Most importantly, staff will link up with Jobcentre Plus to help with searching for jobs and to give advice to lone parents.

Margaret Hodge: I am delighted to join my hon. Friend in welcoming that latest development to tackle disadvantage and poverty among families in her constituency. The joined-up approach of the Department for Work and Pensions and the Department for Education and Skills in the children's centre is testimony to our wish to put families and their children at the heart of what we do, and build services that best meet their needs and lift them out of poverty.

Mrs. Theresa Villiers (Chipping Barnet) (Con): Will the Minister comment on a problem faced by my constituent, Mr. Michael May, who was awarded custody of his children for two days a week but was unable to obtain benefit to reflect the fact that he had custody? If the Government seriously wish to tackle child poverty, would it not be more equitable to divide benefits between two parents in cases where there are joint custody arrangements?

Margaret Hodge: I am a bit puzzled by the hon. Lady's question, although I am willing to look at that individual case if she writes to me. I am not sure whether she is suggesting that the benefit entitlement that follows the children should be divided between the father and mother. If so, that would be unfortunate for the main carer—the mother. However, if she writes to me with the details, I would be happy to examine the particulars of the case.

Financial Assistance Scheme

15. **Danny Alexander** (Inverness, Nairn, Badenoch and Strathspey) (LD): What discussions he has had with the Chancellor of the Exchequer on the level of funding for the financial assistance scheme. [22520]

The Minister for Pensions Reform (Mr. Stephen Timms): As with any new policy, we discuss developments with the relevant Government Departments. The Chancellor confirmed last month that the level of funding for the financial assistance scheme would be reviewed in the next spending round.

Danny Alexander: In discussions on the next spending round, will the Minister bear in mind the plight of people such as constituents of mine who have missed the cut-off date for assistance under the scheme, in some cases by only a few days? Some people aged 58 are entitled to assistance while others aged 62 are not. Can funding be made available to deal with some of the anomalies in the system?

Mr. Timms: Our approach is to prioritise individuals who need help most urgently, namely those who are closest to their scheme pension age. Such people have been helped by the scheme thus far, but we will know more about the potential costs and liabilities when all the data from schemes have been collected at the end of the current notification period, which ends on 28 February. We are assembling all that data, and they will give us a good basis for looking at the question of whether we can extend the scheme when the review is carried out.

Returning to Work

18. **Siobhain McDonagh** (Mitcham and Morden) (Lab): How many people have returned to work since 1997. [22523]

The Minister for Employment and Welfare Reform (Margaret Hodge): I am delighted to answer my hon. Friend's question. Employment has increased by 2.332 million since 1997. Our employment rate, at 74.8 per cent., is the highest of the G7 countries, and one of the highest in the world. Since 1997, employment has risen strongly, unemployment is down and the number of economically inactive people has started to fall.

Siobhain McDonagh: In constituencies such as mine in suburban south London, the new deal has been a terrific success, but there is still a hard core of young people whose educational and family background makes it challenging for them to find work. Does my right hon. Friend have any proposals to introduce schemes that would deepen and intensify the new deal for that particularly difficult group?

Margaret Hodge: My hon. Friend is right to point to the small group of young people who are neither in education nor in training and employment. We have introduced a number of financial measures, including education maintenance allowances, and training measures such as a scheme that we want to run in conjunction with our colleagues in the Department for Education and Skills. We

hope that our collective approach to tackling the problem will bring that small number of people who are locked into inactivity and are outside society closer to the labour market. It is a difficult last nut to crack, but we are determined to try to do so.

Mr. Philip Hollobone (Kettering) (Con): In the Kettering constituency, there is a large and growing shortage of key workers in the local health service, not least among midwives. What measures is the Department taking to encourage highly trained personnel to return to our vital public services?

Margaret Hodge: I am delighted that the hon. Gentleman is anxious that we should increase the number of people working in the health service, because all too often Opposition Members attack us for the expenditure on it and the growth in employment in it. I recognise the issue that he raises, and we need to introduce more flexible working and other attractive measures to bring back into the health service some of the people who may have left to care for their children or others in the home. We have introduced many measures already and a Bill will be introduced this Session to provide greater flexibility for people working throughout the economy, including the right to ask for flexible working when their children are older and if they are carers. I hope that that will assist with the problem the hon. Gentleman mentions.

Miss Anne Begg (Aberdeen, South) (Lab): Aberdeen is booming at present, thanks to high oil prices. I appreciate that not all hon. Members think that that is a good thing, but it certainly is in the north-east of Scotland. As a result, unemployment is low and there are real labour shortages, especially in the construction industry. One of the local charities, Aberdeen Foyer, has been successfully delivering the build and train new deal, but the Government will withdraw the funding for that next year. I know that my right hon. Friend has already agreed to meet people from the Foyer to discuss the matter, but I hope that the Government will consider the importance of some of those new deals that deal with the most marginal young people and get those whom the previous Government had written off successfully back to work, as well as plugging some of the gaps in the labour shortage.

Margaret Hodge: My hon. Friend has spoken to me about the ambitions project in her constituency, of which the Foyer is part. Some areas of the country have had successful pilots on which we want to build and from which we want to learn lessons. The trick that we pulled, which we must spread more widely, was linking the skills needs of employers to the state in its various guises, whether it be the Department for Education and Skills or my Department, to get individuals with the relevant competencies but who are outside the labour market or unemployed to fill the jobs. If those three parts work together—the individual, the state and the employer—we have a route to filling some of the skills gaps and tackling the inactivity in the labour market that is the challenge for this term of the Labour Government.

Sir Nicholas Winterton (Macclesfield) (Con): How many "older" workers have returned to work since 1997? As the Minister will be aware—I am very much aware of it—older workers often have very good skills—[HON. MEMBERS: "Hear, hear."] They also have experience, and I back experience.

Margaret Hodge: The hon. Gentleman and I both have an interest to declare in this issue. In 1997, the employment rate for those over 50 was 64.7 per cent.; in spring this year, it had risen by 6 percentage points to 70.7 per cent. There is still a gap with the national employment rate of just under 4 per cent., but we are narrowing it. Our very successful new deal for 50-plus has brought back into work more than 150,000 older workers. We want to go further and build on that successful strategy.

Child Tax Credit

19. **Greg Mulholland** (Leeds, North West) (LD): If he will make a statement on the transfer to child tax credit of the remaining families with children in receipt of income support and income-based jobseeker's allowance. [22524]

The Parliamentary Under-Secretary of State for Work and Pensions (Mr. James Plaskitt): All new claimants for income support and jobseeker's allowance receive child tax credits rather than an increase in their benefits. As I made clear in an answer in June, the timing of the transfer of cases to tax credits will be subject to a final review and an announcement will be made in due course. I again reassure the hon. Gentleman that no one is losing out: the increases in the benefits associated with children are set at the same level as child tax credit.

Greg Mulholland: I thank the Minister for that answer to a question that I did not actually expect to get to ask. Having started at 25, I seem to be rising up the ranks nearly as fast as the hon. Member for Witney (Mr. Cameron).

Less than two weeks ago, the parliamentary ombudsman used the phrase "systematic maladministration" about the automatic recovery of overpayment of tax credits. Will the Minister give us an assurance that, until the ombudsman is satisfied that there is no longer systematic maladministration, the group of families so hard hit by it will not be transferred across?

Mr. Plaskitt: I am pleased that the hon. Gentleman finally got to his question. Probably the best thing I can do is to tell him what the ombudsman actually said. Referring to her report on the matter, she said:

> "This report does not suggest that the new tax credit system is in general disarray; on the contrary it recognises that, given the scale of the undertaking, its introduction has been broadly successful."

Orders of the Day

Terrorism (Northern Ireland) Bill

Order for Second Reading read.

3.31 pm

The Secretary of State for Northern Ireland (Mr. Peter Hain): I beg to move, That the Bill be now read a Second time.

Before I turn to the Bill itself, I should like to draw the attention of the House to a statement issued last night in the name of the Loyalist Volunteer Force indicating that what they describe as their "military units" have been ordered to stand down. As the House will know, over the summer the LVF and the Ulster Volunteer Force have been engaged in a grisly feud, which has cost four lives. I welcome any move that brings such murderous violence to an end.

The statement is, therefore, a step forward which I hope will give encouragement to those who are working to establish the primacy of politics in their communities. Of course, words must also be matched by deeds from all loyalist groups. What we need to see is the full decommissioning of all paramilitary arsenals and a complete and permanent end to all paramilitary and criminal activity from all paramilitary groups. In welcoming the statement, I can also say that hearing the president of Sinn Fein use the words "the war is over"—words that we have wanted to hear for such a long time—is a further sign that we are continuing to move in the right direction.

We are all haunted by what has occurred in Northern Ireland during the troubles. Members of the House and the other place have been personally affected. Others will have vivid memories of scenes of terrorist atrocities reported in the media.

During the loyalist and republican terrorist campaigns more than 3,000 people lost their lives, families have been torn apart and victims left bereft. In 1972 alone, the worst year of violence, 497 people were killed and nearly 5,000 were injured. So far this year, there have been just five fatal attacks. Those are, of course, five deaths too many, but nevertheless the situation has changed dramatically from the dark days of the 1970s and 1980s.

The legislative response to terrorism has also changed over the last 30 years as the counter-capability responds to the level of threat. In particular, special provision has been required to counter terrorism and for the use of the armed forces in support of the police. Those provisions have evolved over time in response to changing terrorist tactics to ensure that the agencies can respond effectively to terrorism.

The Northern Ireland (Emergency Provisions) Act 1973 was the first piece of legislation to focus on tackling the threat of terrorism in Northern Ireland. It provided non-jury Diplock courts to overcome problems of juror intimidation by paramilitaries and gave special powers to the police and armed forces in Northern Ireland to stop, to search and to enter premises. It applied only in Northern Ireland.

Following attacks by the IRA in Birmingham in 1974, Parliament passed the Prevention of Terrorism (Temporary Provisions) Act 1974, which gave additional powers of arrest and detention to police and applied throughout the United Kingdom. Those Acts were extended and renewed a number of times in subsequent years. The Criminal Justice (Terrorism and Conspiracy) Act 1998 was passed as a response to the Omagh bombing of 15 August 1998.

All of that legislation was re-enacted and extended, culminating in the Terrorism Act 2000, which was intended to combat all forms of terrorism, not just terrorism connected with the affairs of Northern Ireland. The 2000 Act placed anti-terrorism laws largely on a permanent footing in the United Kingdom, in line with the recommendations made by Lord Lloyd of Berwick's "Inquiry into legislation against terrorism" and the proposals in the Home Office consultation document, "Legislation against Terrorism". However, the 2000 Act continued to contain temporary provision that was designed to tackle the specific threat of terrorism in Northern Ireland and that applies only there. Those temporary provisions are contained in part VII of that Act.

Since the 2000 Act was passed, there have been further changes to the permanent law on terrorism. The Anti-terrorism, Crime and Security Act 2001 and the Prevention of Terrorism Act 2005 further refined and extended the range of options available to deal with the terrorist threat. The Home Secretary has now brought further measures before Parliament to strengthen our capacity to tackle the latest threats from terrorism.

The Northern Ireland temporary powers have also evolved since they were first enacted in 1973, responding effectively to the particular threat of terrorism in Northern Ireland at any given time.

John Bercow (Buckingham) (Con): I welcome the Secretary of State's opening remarks. Will the order-making power in clause 1(3) be subject to the negative procedure of the House or to its affirmative counterpart?

Mr. Hain: The affirmative procedure will be used, given the importance attached to that matter.

Those provisions have been on a temporary footing since 1973, but have been necessary to tackle the security situation. They were never intended to be permanent, and we have always remained committed to their ultimate removal, once the security situation allowed. The provisions expire early next year. Without further legislation, provided by the Bill, they would not be available beyond 18 February 2006.

We have reviewed the necessity for the part VII provisions each year. Lord Carlile, the independent reviewer of the Terrorism Act 2000—I am indebted to him for his continuing work—has conducted his own external review. I received a letter from Lord Carlile this morning—I have placed a copy in the Libraries of both Houses—in which he said:

> "In sum, I remain of the view that, in terms of the prevention of terrorism, some special powers remain necessary. Were there not such powers in the Bill, I would be driven to the conclusion that there would be a risk of more terrorist acts connected with the island of Ireland rather than less."

Greg Mulholland (Leeds, North-West) (LD): I refer to the Carlile report and agree with the Secretary of State's sentiments, but why are we having this discussion before that report has been published?

Mr. Hain: I received Lord Carlile's letter only this morning. Obviously, the debate on Second Reading has been scheduled for a while, but I want to place on record again the fact that he does invaluable work in advising the Government in this respect on Northern Ireland, and we are very grateful to him indeed.

Dr. Julian Lewis (New Forest, East) (Con): Did Lord Carlile's letter indicate the sources from which he anticipated that further acts of terror would come if the regulations were relaxed?

Mr. Hain: No, the letter did not indicate that, but allow me to cite another of the important points in Lord Carlile's letter that the hon. Gentleman and the House will want to hear. He said:

"In my view the duration of the powers proposed in the Bill is justified on the merits and proportional."

The word "proportional" is very appropriate.

Each year Parliament has approved the continued use of the provisions and agreed that they are an appropriate response to the threat. Earlier this year we identified several provisions relating to bail and the treatment of juveniles that were no longer needed and took them out of force. Last year, we lapsed a provision on port and border controls with no ill effect. All that has happened because the security situation in Northern Ireland has improved and other structural and legislative developments have meant that some of the provisions are no longer necessary.

Lembit Öpik (Montgomeryshire) (LD): Given that the letter that the Secretary of State quotes is obviously of considerable importance to the debate, would it not be prudent to provide all hon. Members who intend to participate in the debate with a copy, so that we do not all have to trail off to the Library? If the right hon. Gentleman is citing that letter, I stress that it is reasonable for every one of us to receive a copy because otherwise we will be at a disadvantage during the debate.

Mr. Hain: I understand the hon. Gentleman's point, but I saw the letter only in the mid-morning. I have only had the chance to look at it and refer to it in my speech. I shall put a copy in the Library as soon as possible.

Lembit Öpik: On a point of order, Mr. Speaker. In a sense I am making a procedural request, so perhaps I should not have asked that question of the Secretary of State. Would it be possible for you to arrange for copies of the letter to be provided to hon. Members, because it would be helpful to all of us during the debate?

Mr. Speaker: I think that the Secretary of State is indicating that he will do so.

Mr. Hain: I am grateful, Mr. Speaker. I shall certainly make arrangements for photocopies to be made available to hon. Members who wish to have them. I am sorry that the circumstances were such that they did not receive them earlier.

Lady Hermon (North Down) (UUP): I am grateful to the Secretary of State for taking another intervention—it will be quick. He really needs to clarify the inconsistency of his approach in recent weeks. We are being asked to approve terrorism legislation that will extend part VII for at least two years, and perhaps another year on top of that, on the basis that the security situation, as determined at the present time, makes the provisions "necessary". How can he reconcile a Bill that we are being asked to pass on that assessment with the facts that he has already indicated that Sinn Fein's allowances will be returned in the Assembly, that he will recommend in a few weeks that Sinn Fein Members' allowances in this House should be returned, and that Royal Irish Regiment home battalions should be disbanded? Before we go any further, will he reconcile the two irreconcilable points of view that are coming out of the Northern Ireland Office?

Mr. Hain: I understand the hon. Lady's points, which she makes with her normal courtesy and force. However, it is clear that we are trying to progress the politics and ensure that we get a permanent end to violence—including that from the IRA, in relation to her point about allowances. At the same time, to ensure that the safety and security of each individual citizen in Northern Ireland is not jeopardised in any way by any retrograde action, we are putting in place necessary provisions through the Bill. It is consistent to move forward the politics while adopting the prudent approach of safeguarding the position if there were a terrorist outbreak by perhaps dissident republicans, or the remaining active loyalist groups that have not done what the Loyalist Volunteer Force announced overnight.

Sir Patrick Cormack (South Staffordshire) (Con): Does not what the Secretary of State has said this afternoon, and indeed his reply to the hon. Member for North Down (Lady Hermon), underline the wisdom of him giving the House the opportunity for pre-legislative scrutiny of the on-the-runs legislation with which we are threatened?

Mr. Hain: As the hon. Gentleman knows, I dealt with that matter last week when I gave evidence to his Committee and he questioned me closely on it. The on-the-runs legislation is of course entirely separate from the Bill.

Rev. Ian Paisley (North Antrim) (DUP): Will the right hon. Gentleman take it from me that many people in Northern Ireland think that this "progress" is capitulation and is not going to help? There is the view that many things are moving the situation in one way—especially in favour of the IRA—and we also have this legislation. Surely there is a contradiction. It is not possible to have it both ways. Either things are not good in Northern Ireland or else things are good in Northern Ireland. Those of us who live there know exactly what the answer to that is.

Mr. Hain: The soon-to-be right hon. Gentleman makes a point about a judgment on this matter. We are right to bring the Bill before the House today, and I am sure that he will welcome it later on. We are right to do that as a prudent safety mechanism just in case there is a repeat of the threat—perhaps by a dissident republican

[Mr. Hain]

group or one of the loyalist groups that has not yet announced that it is disarming and standing down in the way that the LVF has—which we need to be in a position to meet. As the normalisation measures are taken forward in terms of reducing the number of armed forces and so, I am sure that every citizen in Northern Ireland will be reassured that we have, as a fall-back, legislation that has been necessary in recent years.

Lady Hermon: May I sum up the message coming from the Secretary of State? We are taking the Bill through the House because he believes that we are still under threat from dissident republicans and perhaps loyalist paramilitaries, but that we are under no threat from the Provisional IRA. Is he really saying that to the people of Northern Ireland?

Mr. Hain: The Bill creates an enabling environment. That is why the time frame is put in the way that it is. As regards the promises that the IRA made on 28 July and the decommissioning of its arsenal, which General John de Chastelain announced on 26 September, and the consequences that that will have for activity on the ground, which the hon. Lady and I want closed down for good, we will have to await the reports of the Independent Monitoring Commission—the next one is due in January—to see what has been delivered and whether the promises have been kept.

While the security situation is far from perfect—the violent events at Whiterock last month are evidence of that—no one could deny that the security situation has changed fundamentally as a result of the events of the past couple of months. On 28 July 2005, the Provisional IRA made an historic statement, announcing an end to the armed conflict and ordering all members to dump arms. In response, I announced on 1 August 2005 the triggering of a programme of security normalisation measures. That sees a gradual reduction in the security infrastructure in Northern Ireland and a reduction in troop numbers to garrison level, and culminates in the repeal of counter-terrorism legislation particular to Northern Ireland.

On 26 September 2005, the Independent International Commission on Decommissioning reported that the totality of the IRA's arsenal had been put beyond use. Like the statement on 28 July, that was a seismic step by the IRA, but we need to be sure that it has ended paramilitary and criminal activity for good. The January report of the IMC will help us to make that assessment.

Mr. Nigel Dodds (Belfast, North) (DUP): The Secretary of State refers to the triggering of the implementation of the so-called normalisation aspects of the joint declaration. Will he confirm that that was agreed as part of negotiations involving the pro-agreement parties in the run-up to the joint declaration? Does he recognise that since that agreement things have changed in Northern Ireland and that people are rightly concerned that what is being followed is a timetable that is now out of date and does not apply to the circumstances that prevail politically in Northern Ireland today?

Mr. Hain: I can confirm that the pro-agreement parties were consulted and gave their general endorsement to the joint declaration in 2003. That was the statement that pre-announced all the matters about which I reminded everyone in early August. I know that the hon. Gentleman and his constituents have many deep concerns about the pace of those normalisation procedures. We are having a separate discussion about the position of the Royal Irish Regiment home battalions, and the Democratic Unionist party has put some very good points to me about how that should be handled, particularly the levels of redundancy, about which there is much concern in many of the communities where soldiers and their families have made tremendous sacrifices over the years, sometimes with their lives. The points made by the hon. Gentleman, the hon. Member for North Antrim (Rev. Ian Paisley) and other DUP Members are well taken. I have had recent discussions with the Chief of the Defence Staff on the matter, and he is seized of the importance that I attach to proper provision and is well aware of the concerns that exist, particularly in those Unionist communities that have suffered so much over the last years.

Mr. Jeffrey M. Donaldson (Lagan Valley) (DUP): I appreciate the right hon. Gentleman's comments about the Royal Irish Regiment. We have been meeting regularly with many of the soldiers, and I am aware of their concerns, but they are now being told that it could be January next year before they are given an indication of what the package is likely to be and how much compensation they will receive. Will the Secretary of State, in his ongoing discussions with the Secretary of State for Defence, press the point that there is a need to remove the uncertainty over their future, as we will be doing?

Mr. Hain: First, I acknowledge the particular work that the hon. Gentleman has put into this matter. I know of his previous involvement with the Royal Irish Regiment and that of his families; that gives him a particular expertise and authority to speak on this. I have made it clear, as I have to my right hon. Friend the Secretary of State for Defence—in the end this is an MOD matter, although I am batting for the people of Northern Ireland on this issue, as the hon. Gentleman and his colleagues have asked me to do—and last week to the Chief of the Defence Staff, that it is important that the families and the men and women involved know what their future is as soon as possible. In the end it is not a matter for me, but if it is possible to obtain a decision before Christmas, that would be very desirable, and I have made that clear. But I do not want to press too fast and too hard and get an earlier decision that is not a good one. I would rather have a good one even though I agree that it is essential that it is made as soon as possible, and ideally before Christmas.

In the context of a changed Northern Ireland, the Government will press ahead with commitments to normalisation.

Lady Hermon: Before the Secretary of State moves on to more details about the normalisation programme that he has undertaken with his colleagues, will he just confirm and clarify that there is a world of difference

between consulting the pro-agreement parties about the joint declaration and having agreement from the pro-agreement parties?

Mr. Hain: I understand the point that that hon. Lady is making in defence of the Ulster Unionist party, which has played an honourable role in bringing forward the peace process. I doubt whether we would have been where we are today in terms of the statements of 28 July and 26 September on an end to the IRA's armed campaign and the decommissioning of its arsenal had it not been for the courage shown by the then leader of the UUP.

When I published the normalisation programme on 1 August, I made it clear that my priority is the safety and security of the people of Northern Ireland. That is the first duty that I have as Secretary of State. Nothing will be done to jeopardise that. The completion of the normalisation programme must be subject to an enabling environment being sustained. That is why I am bringing legislation before the House today instead of letting the provisions expire next February. The Bill provides that the part VII provisions will continue in force until 31 July 2007. Because I will not take chances with the safety and security of the people of Northern Ireland, the Bill also contains the option to extend the provisions for up to one year thereafter until July 2008.

Lorely Burt (Solihull) (LD): Is the Secretary of State aware that the Northern Ireland Human Rights Commission has called for the repeal of part VII and schedule 9 of the Terrorism Act 2000, relating to the working of the Diplock courts? Obviously, it is very important that in times gone by families and jurors were protected by having a single judge making decisions in that way. However, it has been suggested that one step towards normalisation might be to have one judge instead of three judges, so that confidence in the judicial system could be greatly enhanced among people on all sides.

Mr. Hain: I am sure that Members who represent constituencies in Northern Ireland will agree that there is now confidence in the legal system right across the communities. Of course I take account of the statement that the Human Rights Commission made earlier this year, but I take particular account of the advice from Lord Carlile, the independent assessor who has considered these matters in great detail. We want to look very carefully at what happens in future in every respect and monitor the progress that has occurred over recent years. The number of Diplock trials is now so small that some of the hon. Lady's concerns no longer apply.

Dr. Julian Lewis: The Secretary of State will recall that I asked him whether Lord Carlile's letter indicated where he thought threats might still come from. As if by magic, copies of that letter have now appeared, and I see that it did in fact say:

"On the other side is the Commission's conclusion that paramilitaries, especially Loyalists and dissident Republicans, continue to exert a malign influence over communities."

That was the justification for his statement, and I thought it just as well to get it on the record.

Mr. Hain: I think that that point is rather different from the one that the hon. Gentleman raised earlier, but I am happy to agree that that is indeed contained in Lord Carlile's letter. I am advised that there are now copies of the letter in the Vote Office as well as in the Library.

Sir Nicholas Winterton (Macclesfield) (Con): Many Conservative Members will support the legislation because we believe that it is beyond belief that the complete arsenal of Sinn Fein-IRA has been decommissioned. That view is shared by tens of thousands of people in Northern Ireland. Will the Secretary of State explain why he is not prepared to be more transparent about the decommissioning of the IRA's complete arsenal? Why cannot the statement made by General John de Chastelain and the two witnesses be made more transparent not only to the people of Northern Ireland but to the people of this country, who believe that Sinn Fein-IRA may be merely playing a waiting game to see whether it can gain more of what it wants by doing what it has done, but that that was not a complete decommissioning of its arsenal?

Mr. Hain: I understand the hon. Gentleman's points about transparency. In an ideal world, that would have been ideal. Unfortunately, we may not have got the decommissioning that we thought. It is not for me to determine the exact arrangements. There is an international independent commission headed by General John de Chastelain and eminent colleagues who are also internationally respected right across the world, as well as, on this occasion, two independent clergymen who witnessed what happened. That should give some confidence to the process.

Rev. Ian Paisley: If the Secretary of State is of a mind to appoint more judges in Northern Ireland, will he assure us that it will not be done on a 50:50 basis?

Mr. Hain: I know that the hon. Gentleman is not a great fan of the 50:50 principle, because he has frequently railed against it to me and in public. I will bear in mind what he has said.

Lembit Öpik: On Diplock courts, I am grateful to the Secretary of State for ensuring that we have all received copies of Lord Carlile's letter. Lord Carlile does not commit himself unequivocally one way or the other on Diplock courts, although he states:

"I am unlikely to conclude that it is yet time for their total removal."

What is the Secretary of State's view on a three-judge system? Does he buy the argument that a three-judge system would be fairer than a one-judge system for Diplock courts?

Mr. Hain: As I have said, Diplock courts operate very rarely indeed. The situation is transformed from years ago, when terrorist attacks occurred almost every day. We will continue to examine the matter, and I will consider trials involving paramilitaries, where juries could be subject to intimidation. However, I do not want to prejudge the outcome of my considerations by commenting on any particular model.

Lady Hermon: I am extremely grateful to the Secretary of State, who has been very generous in taking

[Lady Hermon]

interventions this afternoon, and rightly so. Will he clarify whether the Diplock courts will continue if the security situation has not improved in two years' time and an extension is required in three years' time? There is no guarantee that the security situation will improve, which is why we are debating this legislation this afternoon. Will the Secretary of State make a commitment that Diplock courts will continue?

Mr. Hain: It is because there are no guarantees of an absolute, final kind that we are introducing the Bill, which will allow us to continue to use the powers in current legislation after next February. We have used those powers, which act as a powerful deterrent to, for example, dissidents who want to up the paramilitary ante. Let us see where we are in two years' time, and if a further year of renewal is required, we will make a judgment and the House will decide the matter by Order in Council.

Lady Hermon: The Secretary of State must clarify the issue, which is crucial and impinges on other provisions in the Bill. I am sorry if Democratic Unionist party Members are exasperated, but the matter requires clarification. Under the Bill, breaches of control orders, which have been available in Northern Ireland since spring this year, will be regarded as scheduled offences and will be tried by Diplock courts. Control orders have recently been introduced throughout the United Kingdom to deal with international terrorists and, presumably, domestic terrorism, too. If Diplock courts are not available, is the Secretary of State saying that we must re-examine how we deal with breaches of control orders?

Mr. Hain: As I have said, I am confident that we are seeing an end to paramilitarism, and it is extremely unlikely that control orders will prove to be necessary in a normalised environment in Northern Ireland. However, the option of issuing control orders in response to an exceptional situation in the interests of public safety would be available to any future Secretary of State, myself included.

Mr. Tom Harris (Glasgow, South) (Lab): I am grateful to my right hon. Friend for clarifying the procedure. He has said that a statutory instrument will be used if the provisions must be extended into a third year. If we must extend the provisions for an extra year beyond 2007, would it not be more appropriate for the whole House to vote?

Mr. Hain: I understand my hon. Friend's point, but we have developed a procedure for handling these matters in a Northern Ireland context that has worked quite well.

As I have said, if the enabling environment is not sustained, we should not hesitate to take the option of extending the provisions for a further year. We will not leave the police and other agencies without the tools that they need to protect the people of Northern Ireland.

In addition to those assurances, it should be borne in mind that the UK now has some of the strongest and most effective permanent counter-terrorism legislation in the world, which applies as much to Northern Ireland as it does to the rest of the UK. As I said earlier, the House will consider another terrorism Bill later in the week.

As well as maintaining the part VII provisions for the normalisation period, the Bill makes some small but important reforms to counter-terrorism arrangements. The first reform will allow the Attorney-General to remove any case from the Diplock system if he believes that it does not relate to terrorism in Northern Ireland. Currently a small number of offences must be tried under Diplock regardless of whether they are related to Northern Ireland terrorism or not.

Diplock courts were brought in because of the penetration of paramilitaries in the community in Northern Ireland, and the risk of intimidation that that created. They should not have to be used in cases in which that risk does not arise, and the Bill corrects the anomaly.

The proposed changes will also give the Attorney-General discretion in regard to all the offences in schedule 9 to the Terrorism Act 2000, allowing him to deschedule any offence that is not deemed to be relevant to terrorism in Northern Ireland. Lord Carlile has said

"This seems to me a sensible and useful change."

The Bill provides that should any individual breach a control order in Northern Ireland, the case could be handled as a scheduled offence if appropriate. It also creates a power to make any necessary interim provisions to ensure a smooth transition to normalised arrangements.

A measured approach is necessary to ensure the proper functioning of the criminal justice agencies under normalised conditions, and I believe that that is what we have achieved with the Bill. Security normalisation is a goal for which we must strive. We all want Northern Ireland to be a safe place. But normalisation can only occur if the conditions are right, and we will not take chances with the safety of the people of Northern Ireland or the effective operation of the justice system. That is why the Bill extends the provisions for a further period rather than letting them expire in February next year, and keeps open the option of retaining them until 2008.

I commend the Bill to the House.

4.7 pm

Mr. David Lidington (Aylesbury) (Con): I begin by associating the Opposition with the Secretary of State's words of thanks and appreciation to Lord Carlile of Berriew. There is no doubt that his annual reports on the operation of the part VII powers provide a very thorough and impartial analysis, which I think all Members who take an interest in these matters find very valuable.

I agree with the Government that it is right to extend the part VII powers further, and if there is a Division tonight I shall encourage my right hon. and hon. Friends to support the Government. I also agree with the principle that we should continue to treat them as exceptional powers—as measures that are justified by the gravity of the security situation in Northern Ireland. I therefore think it right for these exceptional measures to continue to be subject to a time limit, to the need for regular parliamentary scrutiny and renewal, or indeed to both.

When I first read the Bill, I was concerned by what seemed to me to be an implicit message from the Government that after 2008 at the latest, none of the powers would be needed. I feel that the House has been given a degree of assurance by the Secretary of State that the Government recognise that that might not turn out to be so, and that certain exceptional powers might continue to be necessary after 2008. That appeared to be borne out by the Independent Monitoring Commission's most recent report.

The IMC described the Ulster Volunteer Force as "active, violent and ruthless" and commented that

"it remains an extremely dangerous organisation".

It said that the Ulster Defence Association was

"an active threat to the rule of law in Northern Ireland".

It commented on the Loyalist Volunteer Force and, although I, too, welcome last night's statement from the LVF, we shall judge it by what it does and what it ceases to do from now on rather than by the statement that it put out over the weekend.

Mr. Donaldson: I can appreciate the hon. Gentleman's scepticism, which is shared on these Benches, about statements by paramilitary organisations that have a history of murder and mayhem. However, will he join me in expressing gratitude to the church leaders and representatives, community leaders and political representatives who worked hard on the ground to bring about both an end to the feud between the UVF and the LVF, which resulted in four tragic deaths in the summer, and the LVF's statement that it is standing its units down? Does he agree that precisely that sort of positive pressure from the Unionist community can lead to results? He will note that the LVF's statement was issued without any concessions being made to it.

Mr. Lidington: I am happy to associate myself with the hon. Gentleman's tribute to the clergymen and community leaders. In the two years that I have held my current responsibilities, it has been borne in on me that, although the sectarian conflict in Northern Ireland is frequently attributed to differences in religion, on the ground, clergymen and religious leaders of all denominations often lead the way in trying to build trust between people from different communities.

Mr. Hain: May I associate myself with the hon. Gentleman's point and agree with those that the hon. Member for Lagan Valley (Mr. Donaldson) made? The leadership that clergymen and community leaders have shown in difficult conditions is exemplary. They have produced an outcome and I hope that the influence of their outstanding leadership can be extended to the activities of the UVF and the UDA.

Mr. Lidington: I agree with the Secretary of State and am grateful for those remarks.

Mr. Dodds: Coming from Belfast, North, which has suffered terribly because of the feud, I associate myself with the remarks of my hon. Friend the Member for Lagan Valley (Mr. Donaldson) and of other hon. Members. Does the hon. Member for Aylesbury (Mr. Lidington) agree that it is tragic that so many people have had to die this summer because of that feud? In my constituency, the family of Craig McCausland are still looking for justice for the murder of their loved one. The Government, the police and everyone must continue that quest for justice on behalf of the bereaved families. Although I welcome the positive development, the quest for justice must go on.

Mr. Lidington: The quest for justice must certainly continue and no Government of any political colour could ever believe it right to neglect the raw grief of victims and their families. The sense of loss and injustice remains for many years after murder or attack by terrorists, whatever the paramilitary organisation.

The IMC commented on not only loyalist but republican paramilitary groups. It described the so-called Real IRA as "violent, dangerous and determined". Given the events of recent months and the responsibility of the Provisional IRA for the majority of the murders in Northern Ireland over three decades of the troubles, perhaps the IMC's most significant comments were about PIRA.

I take slight issue with the Secretary of State's comment—which I paraphrase—that no one could deny that there had been a fundamental change in the security situation in Northern Ireland over the past few months. I certainly hope that the IRA's statement and the act of decommissioning will herald such a fundamental transformation, but I am still waiting for additional evidence of it.

Paragraph 3.13 of the IMC report states quite plainly that

"the leadership of the republican movement has shown a capacity in the past to turn on and off the tap of violence."

Paragraph 3.18 goes on to say of the provisionals that

"it is too early to be drawing firm conclusions about possible overall changes in behaviour".

The attitude of the British Government towards the normalisation programme and towards other measures—particularly those that the republican movement itself wants to see happen—should be conditioned by those words of caution and scepticism uttered by the Independent Monitoring Commission.

Before we can be convinced that the transformation that the Secretary of State described is complete, we need clear evidence of further changes—some practical and some ideological in character. On the practical side, we need to see the decommissioning not only of weapons—important though that step undoubtedly was—but of the paramilitary organisations and the paramilitary command structure. If the republican movement has fundamentally changed, and if that change is indeed permanent and irreversible, it should have no need of a private army. If, on the other hand, the republican movement tells us that it needs the structure of the IRA in order to impose discipline on its followers and to ensure that everyone is signed up to the move towards democracy, what does that tell us about the hearts and minds of its many followers? At the very least, it surely leaves a question mark over the extent and genuine nature of the move by the republican movement towards democracy.

Dr. Julian Lewis: Does my hon. Friend accept that there is a third possible reason why the IRA might be reluctant to dismantle its paramilitary structures? That

[Dr. Julian Lewis]

is its record of criminal activity, which amounts to a mafia-type operation involving the robbing of banks and many other activities that it would be loth to give up, even if it has called off the political war.

Mr. Lidington: My hon. Friend is undoubtedly right. Republican and loyalist paramilitary groups use crime as a means of financing their organisations and providing a livelihood for large numbers of activists, and as a means—through protection rackets and the like—of imposing their control and their rule over republican or loyalist estates, rather than submitting to the rule of law, which is what we would expect any democratic political movement to do.

Rev. Ian Paisley: Does the hon. Gentleman agree that the best test to which the IRA could be put would be to ask it to give up its ill-gotten gains, and to give back the money that it stole from the bank, to prove to the people that it had quit its criminality?

Mr. Lidington: The hon. Gentleman is right. Although I have genuinely welcomed the statements and actions that have come from the provisional republican movement over the past few months, I cannot drive out of my mind either the fact that those same republicans were talking a year ago about a comprehensive political agreement for Northern Ireland while planning the Northern bank raid. In addition, earlier this year, we had that appalling murder in the centre of Belfast, in which it seems that the forensic clean-up operation was carried out by people who had knowledge of what needed to be done to stop the police having any clues as to the perpetrators. Certainly, a great deal of comment has come from people living in that area to the effect that known members of the Provisional IRA were behind that clean-up operation. Of course, people in that republican bar who witnessed the murder have been very reluctant to come forward, and I have yet to hear the leaders of provisional Sinn Fein urge their supporters who have information about murder or other serious crime to come forward with that to the Police Service of Northern Ireland or the courts so that people can be brought to justice.

Rev. Ian Paisley: It should also be underlined that the family is now driven out of the area completely. The last member of a family who have been there for something like 200 years has now moved out.

Mr. Lidington: The hon. Gentleman is again right. The fact that members of the McCartney family have had to move house because of the brave public stand that they took offers its own eloquent comment that, as yet, we are very far from a normal state of affairs in Northern Ireland.

Sir Patrick Cormack: Is not the way in which people have behaved towards the McCartney family another aspect of terrorism in the literal sense?

Mr. Lidington: My hon. Friend puts it very well.

We require a profound ideological change from an organisation that regards itself, as the IRA's constitution asserts, as the legitimate government of Ireland, both north and south, to show that it has become a genuinely democratic organisation that supports the police and upholds the rule of law. I have no problem with debating or fighting elections against a democratic movement that loathes the partition of Ireland and yearns for a united Irish republic, provided that that body accepts the principle that constitutional change can come only through the free consent of the people, and works within the constitutional structures of Northern Ireland, within the rule of law, in order to achieve its objectives.

For the purposes of this argument, let us be optimistic—let us lay the scepticism to one side and assume that the Provisional IRA completes that transition from terrorism to democracy. What, then, would be the situation in 2007 or 2008? We have seen little concrete evidence yet that the major loyalist paramilitaries are about to cease their violence, intimidation or involvement in crime. We know, too, that dissident republicans remain a serious threat. The independent assessor of military complaints procedures, in his report for 2004, listed 44 serious incidents attributed to republican dissidents, and only weeks ago we saw a vicious attack on the deputy chairman of the Policing Board, leaving that brave man with severe injuries as a consequence. I find it impossible to believe, even on the most optimistic assumptions that we can make this afternoon, that by 2008 we will be in a position in which none of the part VII powers continue to be needed. As Lord Carlile put it in his most recent report, at paragraph 2.9:

> "It seems reasonably likely that syndicated crime with a paramilitary connection . . . is a clear and potentially permanent part of the criminal intelligence picture of Northern Ireland".

He continued in paragraph 2.11:

> "On both sides of the sectarian divide, there continues a clear danger of intimidation within living and working neighbourhoods".

As the Independent Monitoring Commission pointed out:

> "Unreported acts of intimidation are far more numerous than acts of violence, are often traumatic in their impact and are not recorded in statistics."

If we are trying to ensure that we have in place a system of criminal justice procedure that gives law-abiding citizens the courage to come forward with information and not to fear retaliation, we need to be aware that that fear of paramilitaries remains acute.

The Northern Ireland Office's most recent statistical bulletin, number 11/2005, showed that no fewer than 40 per cent. of people interviewed said that they were unlikely to report someone if they knew that that person had been involved in serious crime. We all know the reasons for that reluctance. It is not sympathy for the criminals. It is fear. It is terror of retaliation against oneself or one's family.

So what will happen in 2007 or 2008? The Secretary of State said that he is still considering possible options. He has known for a long time, as did his predecessor, that part VII would have to be replaced by February 2006, so I suspect that a review of some sort must have taken place in the Northern Ireland Office. I wonder whether, sitting in a pending tray at Hillsborough, there are revised proposals that are ready to be made if and when that proves necessary, or do the Government have in mind relying on powers incorporated into United

Kingdom counter-terrorist and criminal justice legislation? For example, does the Secretary of State expect the powers in the Criminal Justice Act 2003 that allow for non-jury trials in cases of possible jury tampering to be applied after 2007 or 2008 to Northern Ireland for the sort of cases that we have been debating?

There are various detailed matters in the Bill that we may wish to explore further in Standing Committee, but I want to touch briefly on three further points.

Lady Hermon: Since the hon. Gentleman's party has shown a notable reluctance in the House to support any Government legislation that removes juries from trials, can he confirm for the record that, if the Secretary of State were to opt for that, he and his colleagues would fully support the use of non-jury trials in Northern Ireland under the procedures already available in Northern Ireland—they came into force last year—under the Criminal Justice Act 2003?

Mr. Lidington: I see no problem in principle with that. The position of my party has always been that we regard jury trial in all parts of the United Kingdom as an important liberty that we would wish to see suspended only in the most exceptional circumstances, which was why, throughout the duration of emergency powers legislation, those powers were subject to regular renewal by Parliament. We have taken issue with the Government over recent counter-terrorist legislation that proposed removing the right of trial by jury not for fear that the jury would be tampered with or subject to intimidation, but for other reasons that they gave to justify that.

Meg Hillier (Hackney, South and Shoreditch) (Lab/Co-op): You highlighted some of the things that the Government could be doing and I was interested in your remarks about the understandable and shared concern about terrorism in Northern Ireland. Are you saying— *[Interruption.]*

Mr. Speaker: Order. The hon. Lady must be careful about using the word "you".

Meg Hillier: Forgive me, Mr. Speaker. Is the hon. Gentleman saying that, in an ideal world, his party would prefer to see a further extension of the part VII measures for a longer period than until 2008?

Mr. Lidington: We should extend the powers if that is necessary to provide the protection that is needed by the people of Northern Ireland against intimidation and violence. I endorse completely the Secretary of State's comments that defending the right of the people of Northern Ireland to live secure lives, free from threat, should be the first priority of any Government and any legislation. The combination of time limits, the requirement for regular parliamentary renewal of powers and the certificating-out procedure has provided flexibility in the application of these powers to particular cases. The Secretary of State said that we have seen a steady reduction in the number of cases in which it was considered necessary and appropriate to have the case tried before a judge sitting alone.

Clearly, I want to see the day when Northern Ireland can do without any emergency powers of this nature. However, after 30 years of terrorism, during which the terrorist organisations have become so entrenched in the life of Northern Ireland, we must not jump too easily or rapidly to the conclusion that we will be able to dispense with emergency powers quickly.

Lorely Burt: Will the hon. Gentleman give way?

Mr. Lidington: If the hon. Lady will forgive me, I will not, as I would like other hon. Members, particularly those from Northern Ireland, to have the opportunity to speak.

Lord Carlile expressed concern about delays in the processing of scheduled offences. In his last report he said that that was taking longer in 2004 than in 2000, even though there were significantly fewer such cases to be processed. I hope that the Minister will be able to say whether the situation has now improved and, if not, whether the Government are considering the use of powers under sections 72 and 73 of part VII to make statutory regulations to impose time limits on those cases.

I have a question about the private security industry. In England and Wales, the system relies on enhanced criminal records checks, which include not just information about convictions but details of police intelligence about the individuals concerned. The reason for the different approach in Northern Ireland, and as seen in the Bill, is that successive Governments have worried about the prospect of people from a paramilitary background being in receipt of evidence about police intelligence held against them, including, obviously, details of the informer who may have provided the police with that intelligence.

Do the Government think it likely, or even possible, that in the foreseeable future we will be in a position where we could allow the disclosure of police intelligence to people being vetted for a post in the private security industry in Northern Ireland? Does not that again suggest that some type of arrangement unique to Northern Ireland will continue to be needed after 2008?

Do we need the powers brought in after the Omagh bombing under which the opinion of a senior police officer is admissible as evidence in respect of membership of a specified organisation? My understanding is that, in practice, this power has never been used. As the Secretary of State knows, my party has always been uneasy about the idea of specification, whereby we have two categories of illegal terrorist organisations. In one category, specified organisations, the word of the police counts as evidence of membership. In the other category, non-specified but proscribed organisations, police evidence does not count in the same way. I hope that the Minister will say a word or two about that.

I want to finish by touching briefly on an issue that was raised earlier in interventions: this Bill's relationship to the Government's policy on terrorists on the run. I hope, as others have expressed the hope, that we will get the opportunity to discuss the Government's proposals fairly soon, and before we have to decide on the content of such legislation, as the Chairman of the Select Committee, my hon. Friend the Member for South Staffordshire (Sir Patrick Cormack), said in an intervention. Frankly, I find it frustrating that members

[Mr. Lidington]

of Sinn Fein have seen, so they tell me, the Government's proposals and are happy with them, but that my party and, I think, the Liberal Democrats, have not had access to the details of what the Government have in mind.

Lembit Öpik: Indeed. Does the hon. Gentleman not sometimes feel that it is by being stroppy and naughty that one gets the Minister's attention? Would it not be more helpful if, at those times when various parties and supportive organisations are not "kicking up", they still felt included in the process; otherwise, the Government merely store up future problems for themselves?

Mr. Lidington: The Government should share their thoughts with Parliament in the very near future and give us ample opportunity for pre-legislative scrutiny.

Sir Patrick Cormack: I am very grateful for my hon. Friend's support. Does he agree that if ever a subject lent itself to pre-legislative scrutiny, this—if one is hoping to achieve a consensus—is it?

Mr. Lidington: I agree.

The Government have shown good sense and proper caution in introducing this Bill today to renew part VII powers. I hope that they will show the same good sense and proper caution when they approach the question of people who are on the run from justice. But for the purposes of today's debate, we believe that this Bill is necessary and it has our support.

4.37 pm

Mr. Tom Harris (Glasgow, South) (Lab): It is more than two years since I was given the opportunity to speak on Northern Ireland matters before the House. My silence has been caused not by any reticence on my part, but by the fact that between July 2003 and May 2005 I served as Parliamentary Private Secretary to my right hon. Friend the Member for Warley (Mr. Spellar), who was Minister of State in the Northern Ireland Office. I pay tribute to the excellent job that he did and to the commitment that he brought to all his ministerial posts. I also pay tribute to my right hon. Friend the Member for Torfaen (Mr. Murphy). He was an excellent Secretary of State who was respected by Members in all parts of this House, and by all parties involved in Northern Ireland.

This is a cautious Bill—and rightly so, as the hon. Member for Aylesbury (Mr. Lidington) said—and I was certainly reassured by my right hon. Friend the Secretary of State's commitment that his priority must always be the safety and security of the people of Northern Ireland. I am sure that he has the whole House's support in saying that.

This could well be an historic moment. I say that cautiously, because historic moments in Northern Ireland history often turn out to be no more than a footnote. In this regard, I think of the great example of the Sunningdale agreement; none the less, this could prove to be such a moment. The measures contained in the Bill and in part VII of the Terrorism Act 2000 have been renewed annually since the early 1970s, and today could be the very last time that we renew such powers in a debate on the Floor of the House. If so, everyone involved in Northern Ireland matters, and everyone in Northern Ireland, should celebrate. Of course, it remains to be seen whether primary legislation will have to be introduced in 2008 to enact further measures. I share the Government's hope that that will not be necessary.

I hope that the IRA statement of 28 July announcing the end of its armed campaign will turn out to be an historic moment rather than a footnote. I fully understand why the Unionist parties and their supporters are cynical and sceptical about such announcements, but if in 1995 the hon. Member for North Antrim (Rev. Ian Paisley) had foreseen that the IRA would make such an announcement, with an international body overseeing and verifying that decommissioning had taken place, I cannot believe that his reaction would have been anything other than euphoric. Some suspicion arises from the fact that the 1998 Belfast agreement committed the IRA to decommissioning entirely by May 2000. If what has taken place over the summer and in the past month had happened in April and May 2000, a great deal of the understandable cynicism and suspicion in the Unionist community would have been prevented. We all expected and hoped that the IRA would decommission to the extent that it seems to have now—unfortunately, five years too late.

Lady Hermon: May I firmly but gently remind the hon. Gentleman that great offence was caused by the long-awaited statement on 28 July, in which the IRA claimed that its campaign was legitimate? There was no word of apology at all, which caused great offence not just across the Unionist Protestant community but among all families, whether Catholic or of no faith at all, whose relatives had been murdered by members of the IRA. There was not a word of regret, so if the hon. Gentleman thought that we would all jump up and down on 28 July we certainly did not.

Mr. Harris: The hon. Lady is quite correct. She has been present in the House when I have said on more than one occasion that the decommissioning of weapons should not be regarded as a concession but as a basic minimum requirement of any party that hopes to be taken seriously in the democratic process. I agree with what she said.

Throughout the debate, especially since 1997 to 1998, there has been an almost unspoken threat or intimidation when dealing with paramilitaries on both sides. The suggestion was that we ought to make political progress because if we did not X, Y and Z might return to violence. I do not accept that any of the so-called concessions by the Government are based on that threat but, nevertheless, the debate on Northern Ireland has been conducted under a thinly veiled threat of a return to violence by the main paramilitaries. If that is indeed the case, it must end now. There is no longer any excuse for suggesting that political progress must be achieved at the end of a barrel. The hon. Member for Aylesbury referred to the possible disbandment of the

IRA, and I sympathise with his concerns. He will understand that the demand for the IRA to disband was not included in the Belfast agreement.

Mr. Dodds: Total decommissioning was not in the Belfast agreement.

Mr. Harris: Decommissioning was included in the agreement, but the disbandment of the IRA was not. We would all prefer the IRA formally to disband, but I hope that that will not be used as an excuse for progress on the peace process to pause or end completely.

Mr. Dodds: This is a very important issue. Surely the hon. Gentleman is not taking a softer line than the Minister for Justice in the Irish Republic, who is on record as saying that the IRA should and must disband. Indeed, the former leader of the SDLP has also said that it must do so. Surely the hon. Gentleman does not suggest that Sinn Fein could be in government and still allied to an organisation that is illegal under the law but has not disbanded or dismantled.

Mr. Harris: I am certainly not suggesting that the IRA, with its current structure, could be maintained in a democratic Northern Ireland. I know that it has been mooted that it could become some kind of veterans' society or similar social organisation. I make no comment about whether that is a good or bad thing, but if that were the chosen option I hope that no party in Northern Ireland would prevent further progress to a more democratic, devolved Northern Ireland for that reason.

Mr. Donaldson: I understand where the hon. Gentleman is coming from on this point, but does he recognise that one of the major impediments to progress in Northern Ireland is Sinn Fein's failure to support the police and the rule of the law? If republicans are to be recognised as fully embracing democracy, they have to support the police and the rule of law. One cannot be in government as a law maker and not support those who are tasked with upholding the law. That is the crucial issue, because if Sinn Fein do that, what need has the IRA to exist?

Mr. Harris: In making a passing comment, I feel as though I have kicked a wasps' nest. The hon. Gentleman is correct, and the priority must of course be to ensure that the nationalist community co-operates fully with the Police Service of Northern Ireland. That is the minimum that should be expected and anything that gets in the way of that and acts as a buffer between the nationalist community and the police must not be tolerated. I am on the record as saying that I hope that the IRA disbands, but I hope—no, I demand—that whatever form it takes in the future it must not in any way interfere with the rule of law, as represented by the PSNI.

Rev. Ian Paisley: May I remind the hon. Gentleman of the conference at Leeds castle? The DUP set out its plan honestly and openly, but at the very time we were talking to the Government—we did not talk to IRA-Sinn Fein—IRA-Sinn Fein negotiators were planning the bank raid. That is not what we said, but what the Minister for Justice from the Irish Republic said.

Mr. Harris: The hon. Gentleman will not catch me trying to justify or defend the appalling behaviour of Sinn Fein negotiators at Leeds castle. As he rightly says, they and their cohorts in the IRA were planning a major bank robbery as they negotiated to join a devolved Government. That is unacceptable.

I hope that the hon. Gentleman will not mind if I divulge the details of a personal conversation that we had at Leeds castle. We met outside the members' cloakroom and I asked him, "Ian, will you be First Minister?" He replied, "I don't know, I just don't know." I walked away thinking, with all due respect, that that was the most positive thing that I had heard him say during 20 years of Northern Ireland politics.

The hon. Member for North Down (Lady Hermon) intervened on my right hon. Friend the Secretary of State at the beginning of the debate and raised the genuine concern that if the provisions of part VII of the Terrorism Act 2000 needed to be in force, the Government could not justify reinstating the allowances of Sinn Fein Members of the Northern Ireland Assembly. I remind the hon. Lady that throughout the whole period from 1999 when Sinn Fein Members of the Northern Ireland Assembly were receiving their allowances, section 7 powers were in force. There is thus no contradiction in the Government's policy to give back those allowances to Sinn Fein in Northern Ireland. As someone who voted to remove allowances from Sinn Fein Members of the House, I hope to have the opportunity in the near future to vote to reinstate them as a direct result of developments over the summer.

It is a tragedy that Members representing Sinn Fein in the House have chosen not to take their seats and so, once again, are not here to represent their constituents on a matter of crucial importance. When I last pressed a Sinn Fein Member about why they would not take up their seats, I pointed out that their ideological, ethical and moral objections to entering this place were exactly the same as those they had raised against sitting in the Dail and in the devolved Northern Ireland Assembly, in both of which they now sit.

Lady Hermon: There are two points to be made, as there are two sets of allowances. The allowance to the Sinn Fein group in the Assembly was withdrawn by the Government, quite rightly, after an ad hoc report from the Independent Monitoring Commission, which the Government introduced under legislation in the House as an independent body to monitor paramilitary activity. Last December, there was a serious bank robbery and two families were held under threat of violence. On the back of an IMC report and its recommendation to the Government, which the Government upheld, the financial penalty to Sinn Fein was to last 12 months. However, within days of the IMC report this year, and with only a month to look at IRA activity, the Government moved to reinstate Sinn

[Lady Hermon]

Fein's allowances. In a few weeks, the Secretary of State will recommend that Sinn Fein allowances in the House—

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. Interventions are getting longer and longer. I think that the hon. Member for Glasgow, South (Mr. Harris) will have got the hon. Lady's point.

Mr. Harris: I understand the hon. Lady's frustration at that development. My view, but possibly not the Government's—although I suspect it is—is that it was right to recognise the significant announcements made by the IRA over the summer. In re-establishing the allowances, the Government formally recognised that the IRA and Sinn Fein are closely linked, but that, given what happened over the summer, denying the allowances could not continue to be justified. However, I accept that the hon. Lady will disagree.

The hon. Member for North Antrim mentioned the word "capitulation" in an intervention on my right hon. Friend the Secretary of State. He knows better than anyone that the words we use in Northern Ireland debates matter a great deal. I am frustrated when debates are defined by language that, whether deliberately intended to or not, causes anxiety in a particular part of the community. For instance, why must every advance be described as a concession or a surrender? Progress in Northern Ireland cannot and should not be measured by assuming that every development of the peace process can be described as a concession, a snub or a gain in a column headed Unionist or nationalist.

I finish by paying tribute to David Trimble, who as leader of the Ulster Unionist party delivered huge progress not only for the part of the community that he represented but for the whole community in Northern Ireland. He was, with John Hume, a well-deserved recipient of the Nobel peace prize. His absence from the House takes something away from our debates. Many Labour Members, while not necessarily agreeing with everything that he said during his career in this place, understood the huge contribution he made to peace in the Province. I hope that in a year or so I will be able to stand here and make similar comments about the hon. Member for North Antrim and the contribution that he may or may not make during the next year.

4.55 pm

Lembit Öpik (Montgomeryshire) (LD): I spoke during the debate on the Second Reading of the Terrorism Act 2000, and specifically about part VIII of that Act, to which the Bill refers. At the time, I welcomed the fact that those measures were to be in place for only five years and subject to renewal by Parliament by statutory instrument every 12 months. I have served on every committee that debated the annual review of those sections of the Act. That review was important because Parliament had to have the ability to consider the provisions regularly and to make its own judgment of the situation in Northern Ireland and of whether those provisions remained necessary.

In that context, it has obviously been absolutely essential to have the benefit of studying the annual reports of my noble Friend Lord Carlile of Berriew. Indeed, in my judgment his work has underpinned much of the guidance that the Government have used to make their decisions subsequently. His work has been invaluable—not just because he happens to be the former Member of Parliament for Montgomeryshire. Unfortunately, given the time frame needed to place the Bill on to the statute book before the provisions run out in February, we are not able to see his deliberations on the operation of part VII of the 2000 Act in the current year, but I shall look very closely at his latest report when it is published. In that sense, it was very important that we had access to the letter that has subsequently been shared with those hon. Members who are in the Chamber today. I am grateful to the Secretary of State for having made that arrangement, which has been helpful in informing the debate.

We welcome the fact that part VII will be extended only for a very limited time—indeed, until the end of July 2007. As we have already discussed, there is provision in the Bill for the sections that are then in force to continue, but no later than 1 August 2008—again, with specific parliamentary approval by statutory instrument. I understand that that can be achieved only by positive affirmation in the Commons and in another place, and I see the Minister nodding on that score. Lord Carlile welcomes that check, and I think that it is important, too, because Parliament simply must be able to look regularly and closely at whether such measures are indeed necessary in Northern Ireland.

Of course I had hoped, as probably everyone had hoped in 2000, that we would have made sufficient progress in the long march towards peace and the normalisation of the Province to make part VII irrelevant at some point during the five-year lifetime that was placed on it. Although some progress has been made in recent weeks particularly, there has been such turmoil in the intervening years that the provisions of part VII are evidently still necessary. Although the IRA statement in July and the subsequent decommissioning of IRA weapons were significant events, they took a long time to happen. It is five and a half years after all paramilitary activities were meant to have come to an end, and seven and a half years since the signing of the Good Friday agreement. In fact, that very delay has meant that we find ourselves debating part VII again.

We have had insufficient time to judge whether the IRA has decommissioned not just its weapons, but its activities. The signs from the latest IMC report are encouraging and I look forward to its next report in January, but I feel that the jury is still out on the long term. Until recently, similar progress has not been made in relation to loyalist violence or dissident republicans. The violence that we saw over the summer was truly horrific, and the loyalist paramilitaries demonstrated in no uncertain terms why it is necessary for part VII of the 2000 Act to remain in force.

Mr. Dodds: Constant reference is being made to violence on the loyalist side over the summer—it is quite right that that should be deplored. However, I remind the hon. Gentleman and other hon. Members that there was also vicious violence on the part of republicans against the police, with the use of blast bombs and other lethal attacks over the summer period, not least at

Ardoyne on 12 July. Hon. Members should bear that in mind and recognise that there has been violence on both sides.

Lembit Öpik: The hon. Gentleman is completely right to put that on record. People who live on the mainland of the United Kingdom sometimes do not recognise that an underlying level of violence continues in republican and loyalist communities. Normalisation in the Province cannot simply be achieved by violence disappearing from news reports. Violence must disappear on the ground in the Province and true lawful behaviour must be introduced.

The Ulster Defence Association has, however, at least continued its talks with the Decommissioning Commission. But perhaps the most significant development took place this morning, when the Loyalist Volunteer Force announced its intention to stand down. As we have already heard, the feud between the Ulster Volunteer Force and the LVF has had a devastating effect on the loyalist community. What will matter, once again, will be the Independent Monitoring Commission report in January on whether LVF violence has indeed come to an end.

I shall move on to the details of the Bill. I am pleased that over the past five years the Government have largely accepted the recommendations put forward in the annual reports written by my noble Friend Lord Carlile of Berriew.

I am especially pleased that the Government do not wish to resurrect sections 70 and 71 of the Terrorism Act 2000, which were repealed earlier this year. Those provisions allowed the Secretary of State to make directions for young persons charged with a scheduled offence to be held in adult prisons while on remand. The powers come from a time when young persons were held in remand homes. Those homes were insecure and serious problems were presented in the management of some of their remand population. Thankfully, there have been great advances in the youth justice system in Northern Ireland over recent years and Hydebank young offenders centre and the juvenile justice centre are now able to provide the security required. Those developments are welcome and the Government are right to ensure that those sections do not return to the statute book.

Lord Carlile raised worries about section 108 of the Terrorism Act 2000 in his 2004 report on the operation of part VII of the Act. That section makes provisions on evidence that may lead a court to conclude that a section 11 offence—membership of a proscribed organisation—has been committed. Subsections (2) and (3) of section 108 render admissible under a section 11 charge hearsay evidence that would not otherwise be admissible. The evidence must be given orally by a police officer of at least the rank of superintendent. If it is the opinion of that officer that the accused belongs to an organisation that is specified, the statement "shall be admissible" as evidence of the matter stated.

Lord Carlile found in 2004 that section 108 had not been used. Paragraph 19.7 of his report states:

"I am totally unpersuaded by the arguments for its retention . . . Section 108 could be repealed without any measurable disadvantage to the cause of public protection from terrorism. It is a provision that lies uncomfortably in the broader context of normalisation and the Good Friday Agreement."

However, section 108 will continue to remain in force under the Bill.

Rev. Ian Paisley: Would it not be right to underline the fact that the provision was copied from the law in the south of Ireland, where it still exists and a police officer can give such evidence in court?

Lembit Öpik: If I were a parliamentary representative in the south of Ireland, I would be making exactly the same point. The provision simply does not stand up to scrutiny both of its practical benefit, on which Lord Carlile has commented, and of its principle of diluting the burden of proof when someone is charged with such a serious offence. How can the soon-to-be right hon. Gentleman and the Minister justify keeping the section in force when Lord Carlile of Berriew, who has been listened to in almost every other respect and has successfully advised the Government, has said that it should be repealed? As we do not have Lord Carlile's assessment of the use of the section in full during the course of the year, will the Minister tell us of any instances when it has been used in the past 12 months, because I have yet to hear that evidence?

In February's debate to renew part VII provisions, my hon. Friend the Member for Orkney and Shetland (Mr. Carmichael) raised concerns about section 75, which provides for non-jury trial in Northern Ireland—a Diplock trial. Although it is fair to recognise Lord Carlile's assessment that Northern Ireland judges apply rigorous standards to the quality of evidence in non-jury trials, he recommended in his last report that the Government should consider moving from employing one judge in non-jury trials to a three-judge court. He states:

"A three judge court would command greater confidence in one part of the community, without diminishing confidence rationally elsewhere."

As part of the normalisation process in Northern Ireland, we have to move in that direction. We would all prefer it if the circumstances allowed us to return to full jury trials in Northern Ireland, but without pre-empting what might be in my noble Friend's report in the coming months, I suspect that we are not there yet. A three-judge court would demonstrate that we are moving towards the restoration of a normal judicial process in Northern Ireland. What discussions have taken place since February to move the situation on? Are the Government considering how we can make progress on that crucial issue?

The Secretary of State made encouraging noises about considering the issue, at least in the broader context. Will the Minister confirm that he will give serious consideration to an amendment tabled in Committee to create a three-judge court environment? I can see absolutely no downside for the Government in making that move forward, but a considerable improvement—an upside—among certain sectors of the Northern Ireland community in their faith that the courts will be fairer.

There are also ways in the 2000 Act to reintroduce parts currently repealed, in particular as set out in clause 2. That would require primary legislation. We very much agree that that is the right way forward, but what time do the Government foresee for those debates, because they must be more than merely tokenistic?

[Lembit Öpik]

Despite concerns about specific sections, it is important to ensure that part VII provisions remain in force for the time being. However, I shall study with the greatest interest and in detail the next IMC report and Lord Carlile's report. Once again, the more that the Government can provide as an advance indication of where they might be going, the more useful that would be.

There is one irony that cannot go unmentioned, however. The Bill is in large part based on the historical and political experience of the Province and is thus in keeping with a mature understanding of the motivations of the terrorists, as well as the reality of terrorist acts. Let us remember the reason for the Bill. The 2000 Act tidied up and extended previous counter-terrorism legislation and put counter-terrorism laws on a permanent footing. It was intended to combat all forms of terrorism, not just terrorism connected with the affairs of Northern Ireland. It provides a range of measures designed to prevent terrorism, supports the investigation of terrorist crime and extends UK-wide.

Why have the Government failed to understand the contradiction between the judgments they make about Northern Ireland, which can lead to informed and consensual solutions, such as this Bill, and the unjoined-up approach that they take to international terrorism as a whole? Why is it that the very things that bring us together on this Bill should not have counted one jot in the many terrorist debates and Bills that have been thrown at us in recent weeks in the international context? Why is it that right hon. and hon. Members can talk rationally about these things in the Members' Tea Room and agree that there is an inconsistency between how we deal with Northern Ireland terrorism and international terrorism, and yet we are presented with a malignant, aggressive and unlistening Government when it comes to tackling terrorism in the rest of the UK?

Mr. Tom Harris: Rubbish.

Lembit Öpik: In that case, will the hon. Gentleman explain why so many hon. Members in these debates feel that the Government somehow differentiate good and sane terrorists in Northern Ireland, but bad and insane terrorists from elsewhere? How can it be consistent to deal with the Northern Ireland terrorist while simply seeking to oppress the opportunities to terrorise everywhere else? I must ask why the Government are obsessed with negotiating on problems in Northern Ireland—on many occasions I agree with them—but simply seek to incarcerate suspected terrorists on the mainland using some of the very worst historical methods, such as internment, perhaps only by another name?

Mr. Harris: I had not intended to intervene and I shall try not to stray too much from the purpose of the debate, but the hon. Gentleman has been present at enough of these debates to understand the valid argument that, as far as republican terrorism is concerned, there was always a way to negotiate, in that they held various political views, which even if one did not agree with them, one could negotiate on; whereas with other types of terrorism, such as Islamism, there is no negotiation, since the death of innocent people is the end aim of those terrorists, and therefore there is no point in negotiating.

Lembit Öpik: The hon. Gentleman's comments simply serve to underline the frustration that many of us feel about the Government's approach towards the issue: the schizophrenic assumption that the terrorists of Northern Ireland are in some way different from the terrorists from elsewhere. In essence, if what the hon. Gentleman says is correct, we must draw the conclusion that he believes that the terrorists in Northern Ireland were in some way motivated, while the terrorists who perpetrate their international war of terror, to use the Government's own phrase, have no motive. What frustrates those of us who have sought to participate proactively in both those debates is the fact that there can be no such rational distinction. Our frustration has been compounded by the fact that on occasion the Government have sought to make unilateral deals with Sinn Fein and, indirectly, with the IRA, while those people who have been supportive of the peace process have been virtually ignored. The hon. Member for Aylesbury (Mr. Lidington) made that point very well, and it is a matter of great annoyance to those of us who have sought the peaceful and democratic route that those who have not been peaceful have been treated in a different way.

Mr. Donaldson: Does the hon. Gentleman agree that a prime example of this differentiation that the Government make is the anticipated legislation on "on the runs", when the Government propose to give a de facto amnesty to terrorists, some of whom have committed the most atrocious crimes in Northern Ireland, and that it is very difficult for the layman to understand how one can make that distinction, no matter how nuanced the arguments may be?

Lembit Öpik: The hon. Gentleman gives one example of many that at times serve to undermine our confidence that the Government have a joined-up understanding of the problems of terrorism. I happen to believe that terrorists are on the whole motivated, and that it is the failure of politicians to understand those motivations that causes such a disparity of behaviour in what we have seen in Northern Ireland and what we have seen elsewhere. The suffering of the Province is a record of what results from the ignorance of prejudice and the consequence when politics fails to listen to the causes. At a time when we seem at last to have learned the lessons from that lethal tragedy in one place, how depressing it is to see the very same calamity repeated in our treatment of the very same set of affairs in regard to the terrorist threat from abroad.

As the Minister said earlier, the powers in the Bill are exceptional and time limited. In Northern Ireland it took 30 years—some would say hundreds of years—for us to find the courage to attend to the underlying motivations of the terrorists that now lead us to time-limit regulations and legislation that is hopefully now at the tail end of the troubles that have bedevilled the Province. How many more years will it take for us and the Government to learn the same lessons for the rest of the world? Why is it so hard to see

that international terrorists are motivated just as were the republican terrorists and loyalist terrorists of yesterday?

Meg Hillier: I am very puzzled by some of the hon. Gentleman's comments. With whom is he suggesting that the Government negotiate on international terrorism? Can he name the organisations and bodies?

Lembit Öpik: Answering that in detail would take us way beyond the remit of the Bill. The hon. Lady's comments, and those of other Labour Members, are exactly the same as those that I listened to as I grew up in Northern Ireland and as I took an interest in politics in the late 80s and early 90s. She is using the same terminology as we used in the years when the Government said that the terrorists of Northern Ireland simply could not be negotiated with—that they were mindless psychopaths and barbarians. I am happy to discuss the question with her if she is asking it seriously, but we would be best advised to do so outside the Chamber.

This Bill is helpful in the narrow context of Northern Ireland. There is every reason to expect that the moves that we make tonight to underscore the importance of consistency will be helpful, and I hope that they will be passed without a vote. If they are taken to a vote, the Liberal Democrats will support the Government.

I still counsel the Government to look beyond what we are discussing today, however. Understanding the motives of terrorists does not make it right for them to kill people in the name of any cause, but nor does it seem right for us to ignore the lessons of history. If we ignore what happened in the early days of the troubles, we are even more likely to have to relive them.

5.16 pm

Mark Durkan (Foyle) (SDLP): I regret that the House has to debate this Bill. Like many Members, I want normalisation in its full and most honest sense, so that we no longer need to have all sorts of special provisions or to talk about the reality of intimidation and the residual effects of so many years of paramilitary activity. Regrettably, we are not quite there yet. However, it is clear that only a very small minority in this House would prefer not to go forward with the legislation.

I would have preferred the Government to be bolder and to put us on a firmer path to full and proper normalisation in judicial and criminal justice processes—the same path that we have been pursuing in relation to policing. My party and I agree with the Human Rights Commission, which believes, in relation to clause 1—which is essentially a rebadging of part VII of the Terrorism Act 2000—that we are at a point in Northern Ireland where we should be moving away from such provisions.

I say that not because I believe that we are free from intimidation in Northern Ireland or because I am in any way naive or relaxed about the nature of paramilitary activities and the various hangover features of paramilitary life, but because we need to take the lead as democrats instead of constantly finding ourselves coming to this House beholden to the latest concession that the paramilitaries are supposedly giving us. We spend our time praising and thanking one paramilitary group for one statement and another paramilitary group for another, and find ourselves diffident about pursuing and applying our own democratic standards. In doing so, we turn things upside down. As constitutional democrats, we often find ourselves beholden to the latest initiative from the paramilitaries. We should be setting the terms, standards and pace of normalisation.

I recognise that, as the Secretary of State said, in many ways the Bill connects back to aspects of the joint declaration of May 2003. However, I quibble with his saying that the joint declaration was generally endorsed by all the pro-agreement parties. Although there was general endorsement of some aspects of it, some of us had specific criticisms of other aspects. Some of us never went along with the pretence about having three annexes and two other documents that happened to coincide with them—one about on-the-runs and the other about sanctions that would be attached to the Independent Monitoring Commission. We never went along with the pretence that those documents were not annexes. In all the talks before, during and since the Hillsborough talks on the joint declaration, including the talks in Leeds castle to which the hon. Member for North Antrim (Rev. Ian Paisley) has referred, we consistently pointed out to both Governments that they were turning a blind eye to the reality of continuing criminality.

In recent interviews, the right hon. Member for Torfaen (Mr. Murphy) has acknowledged that the Social Democratic and Labour party was the one party consistently to raise concerns about criminality in his time as Secretary of State for Northern Ireland. That record of consistency on paramilitary and criminal activity is the background to our preference for not moving forward with this Bill.

As we have seen in the case of the McCartney murder, the intimidation that gets in the way of justice in Northern Ireland involves the destruction of evidence and syndicated silence from witnesses. Some people make a big deal about calling on others to go to the police or the police ombudsman with statements, but such statements say little and many are not signed. The real issue in Northern Ireland with the administration of justice is not the difference between a Diplock court and a jury court but whether the evidence exists to take cases forward and whether people engage in conspiracies to deny, destroy and prevent evidence.

In recent times, a number of cases have been taken to court after undoubtedly good work by the police service and after many brave people in the community have given information to the police. In some cases, people have been prepared to give evidence in court, only to find that the judge takes a much more relaxed and detached view of the crime in question than do the public.

Juries should have been used in some recent cases, particularly those involving a number of loyalists who were charged with not only attacks on members of the nationalist community, but preying on their own community and businesses. Even after those people were convicted, the judge gave them suspended sentences, and they walked free. I am not talking about people who had committed a first offence or minor offences. I find it hard to tell people from all sections of the community in Northern Ireland who were offended

[Mark Durkan]

and outraged by those decisions that we should maintain Diplock courts. People feel suspicious and iffy about some recent judicial outcomes, and about the concession-of-the-week mode in which we sometimes appear to be operating.

Lady Hermon: Is the hon. Gentleman suggesting that the difficulty lies with the judiciary or with the lack of evidence? He is making serious allegations that may undermine people's confidence in the judiciary.

Mark Durkan: First, I have discussed the problems associated with gathering evidence, of which the McCartney case is an example. Secondly, I have written to the Lord Chancellor about a number of cases involving suspended sentences that shocked people from not only my party, but across the community, given the nature of the crimes and the criminal history of the people involved. We cannot debate the question of Diplock courts versus jury trial without taking account of that unfortunate reality. I do not know whose fault it is; all I know is that many people, especially victims of crime and the police, witnesses and other members of the community who put their efforts into dealing with such cases, are at a loss to understand why it happened.

As long as we retain abnormal arrangements such as those in the Bill, there will always be people who use them as an excuse to question the legitimacy of the justice system, and to withhold co-operation with the police and due recognition of the administration of justice. Such people will grasp any excuse. Some parties are still not committed to the policing arrangements that resulted from the Good Friday agreement, and are still not signing up to Patten. I believe that for years Sinn Fein has withheld support for the policing arrangements not because it cannot identify enough with Patten, but because it still identifies too much with the P. O'Neill issue and all that went with it.

I agree with the Secretary of State about the significance of the IRA's statement in July. I agree with the Secretary of State and others about the significance of what has been reported by General de Chastelain and his colleagues, and indeed by witnesses. However, the Government must be clear about the need for all parties to engage in political life and democratic responsibility on the same terms as anyone else.

As a democrat with fundamental doubts about provisions such as those in the Bill, I resent having to be part of this process, given that others are allowed to withhold their support from the policing arrangements and given a privileged position for negotiation with the Government on that basis.

Mr. Donaldson: They can all take their seats here.

Mark Durkan: That is another matter. It is their choice.

Discussions are in progress involving Sinn Fein—perhaps along with others—and the Government, on issues such as community restorative justice. I know that the Minister sought to give some assurances about that last week, but what is the reality? A constituent of mine told me recently, "A man from CRJ came to my house, but when he said who he was, it brought three other initials to mind, and only the middle one—the R—was the same." She was very clear about that. Another constituent was apparently approached by someone supposedly representing community restorative justice and told, "If you go to the police about this, you may have to leave the country."

The Government are laying down provisions relating to abnormal arrangements in the courts, supposedly to deal with intimidation but they appear ready to license and engage with the very people who are behind intimidation connected with criminal activity, which is about creating an ulterior policing arrangement outside the formal and proper policing structures.

Mr. Gregory Campbell (East Londonderry) (DUP): I share many of the hon. Gentleman's reservations about community restorative justice. Can he not see the logic in suggesting, as we proceed through 2005 and into 2006, that caution should be the watchword whenever paramilitary groups—all paramilitary groups—are being dealt with?

Mark Durkan: I take the hon. Gentleman's point. We need to be cautious at all times—but cautious in ways that also make us judicious about our choices. If we are to accept in full the positive developments, such as what the IRA has done, possibly the Loyalist Volunteer Force statement and, hopefully, similar action by other loyalist paramilitaries, we should move towards normal standards as far and as quickly as possible, and not allow anybody to exploit lingering abnormality. I am especially concerned about that in the context of people prolonging the progress that they need to make on policing. The longer they prolong that, the longer others might delay progress on politics and political institutions.

Although I have reservations about the content and detail of the Bill—I have never liked the Diplock courts—I acknowledge that it is part of the suite that comes with the joint declaration, which was made in 2003. If completion had occurred in spring 2003, the joint declaration gave a deadline of approximately two years for phasing out special provisions and terrorism legislation in Northern Ireland. Now the IRA is moving towards completion in 2005 and the two-year time scale that accompanies the suite of measures that was promised in the joint declaration applies. I do not question the Government's record on that. However, if the Government are sticking so literally to the letter of the joint declaration on that matter, will they pay attention to other aspects? Will they fulfil in full all the other promises and commitments that were made?

One of the commitments in the joint declaration was that consideration would be given to a forum for victims and survivors. The Government have moved on the appointment of a victims commissioner. I have serious problems about the way in which they went about that. I have criticised the fact that the Government negotiate uniquely with Sinn Fein on community restorative justice and some other matters, but they negotiated similarly exclusively with the Democratic Unionist party about the appointment of a victims commissioner. That is not the way to build the confidence of the community at large in balanced and well-rounded

progress. I have no objection to the woman who has been appointed as victims commissioner, but I remind the Government that a proposal stands in the joint declaration for a forum for victims and survivors. That could give comfort to all victims and survivors and, indeed, the whole community. It could work well with the new office of a victims commissioner and I am sure that the victims commissioner would work well with such a forum.

Mr. Donaldson: The hon. Gentleman can hardly blame Unionists for seeking to extract from the Government movement on key issues such as the victims commissioner. He will understand how we have felt for years when we stood on the sidelines and watched his party go not to the British Government but the Irish Government and, through them, extract concession after concession to fulfil their political agenda. We therefore take with a pinch of salt his comments about the victims commissioner. Everyone is at it in Northern Ireland, so why should not the Unionists?

Mark Durkan: Not everyone in Northern Ireland is at it. Some of us have said all along that the process should always be undertaken inclusively and that, as far as possible, all parties should hear the same thing at the same time in the same terms. That would reduce an awful lot of resentment and suspicion. The hon. Gentleman gave the game away, because he said that he is now happy to play the politics of concession of the week. The DUP is happy to claim its concession of the victims commissioner from last week, so we do handstands about that, but there will be head staggers next week when the on-the-runs legislation appears. That is no way to run a peace process or build confidence.

Mr. Dodds: I am interested in the hon. Gentleman's references to inclusivity. He claims that everyone should hear the same thing at the same time. Yet when President Bush visited Northern Ireland, the hon. Gentleman and his party colleagues argued vociferously that the only party to be excluded from the talks should be the DUP, even though we represented the majority of Unionism. He supported and argued for that. Why, therefore, does he argue for inclusivity today?

Mark Durkan: The hon. Gentleman is wrong: I supported no such thing. The American consulate and others will confirm what my advice was. My first advice was that President Bush would be better off not coming and that we would be better off if he did not come. President Bush was fair enough to acknowledge that that advice was honest and straight. My advice was also that every party should be invited to see him. I did not see why the Democratic Unionist party should be given the dubious privilege of not having to make a decision at such an uncomfortable time—

Mr. Deputy Speaker: Order. Before we get too involved in this matter, may we perhaps return to the Bill? That would be helpful to good order.

Mark Durkan: Thank you, Mr. Deputy Speaker.

At the heart of the Bill is the integrity and reliability of the operation of a system of justice in Northern Ireland. That is why several provisions that will come on stream soon, including community restorative justice, are pertinent to this debate, and why other hon. Members have also referred to them. We want progress to be made, and I welcome what the LVF has said. I join other hon. Members in acknowledging the good work, the hard work, and the difficult and dark work, of the people who have helped to bring that decision about. I hope that it will be brought to a full, proper and positive conclusion and that a similar conclusion can be reached by other loyalist paramilitaries.

Just as we welcome the LVF's statement today, and just as the Secretary of State welcomed Gerry Adams's comment at the weekend that the war was over, it can often ring hollow for the victims when politicians describe occasions such as these as "seismic" or "historic". Those words are easy, but the victims' wounds are still very sore. A sense of futility stabs them when they hear people saying, after all this time, that the war is over, and when they see the terms under which those people have settled. Those terms have been available for some time. The Sunningdale agreement was mentioned by the hon. Member for Glasgow, South (Mr. Harris), and today's terms were available in that context in the early 1970s. People will ask why this is happening.

The hon. Member for Belfast, North spoke earlier about there being violence on both sides. I ask the Government and all hon. Members to bear it in mind that many people in Northern Ireland do not regard themselves as having been party to any form of violence. Many people, not just victims, are very clear that there was no violence committed by their side. I do not regard the Provisional IRA as being on my side any more than many Unionists regard loyalist paramilitaries such as the LVF, the Ulster Volunteer Force or the Ulster Defence Association as being on their side.

Thankfully, there are many young people in Northern Ireland who did not live through the horrors of the troubles and who, as part of the ceasefire generation, did not grow up on a daily diet of atrocities, bombings and shootings. However, there is a danger that, because of the way in which we bandy some of this language about, we shall end up creating a false impression that the troubles were somehow a necessary and inevitable prelude to the peace process, and that there was something legitimate about the violence used by republicans, loyalists or anyone else. I ask the Government to take care in the language that they use, and in the way in which they express their welcomes and offer assumptions about progress. They must remember that there are deeper values and deeper hurts involved as well.

We want to travel forward on the basis of hope, rather than fear. I have heard what other hon. Members have said about the need for caution, and no party has been more cautious than we have about these issues. However, I believe that the Government should show far more caution in regard to some of the choices that they are about to make regarding other aspects of justice, such as community restorative justice. They should also show more discretion and caution in relation to what they are doing with policing. The policing arrangements are the one element of the agreement that has worked and I hope that the Government will not adopt the position that it will be

[Mark Durkan]

okay to bacon-slice Patten at either end as long as that is balanced, and that what will be left in the middle will still be the core of Patten—it will not be.

5.40 pm

Rev. Ian Paisley (North Antrim) (DUP): The Bill introduced to the House stands in stark contrast to what the Government have been saying to us about Northern Ireland. They have been telling us that things are good, that there is progress, and that we are almost in paradise. In fact, we are almost in perdition.

We feel very hurt about what is happening in Northern Ireland, especially in relation to the victims. We have heard many references to the victims, but the easing of their pain and the alleviation of their state has been very slow. I am not saying that that is the responsibility of the Secretary of State, as he has come lately to the position.

I regret that there are those in Northern Ireland who think that when the Government make a nomination, it must be a nomination favouring republicanism and a united Ireland. That must cease. The people who are given jobs should be given them not on the basis of their religion but on the basis of their honour, integrity and ability. We stand to that.

I feel very sore about the fact that someone who thinks as I do politically is not allowed to put forward their view. I heard Brid Rodgers, a prominent member of the party of the hon. Member for Foyle (Mark Durkan) and a candidate in the elections for his party, say this morning that she could not believe what the Loyalist Volunteer Force had said, and that she therefore had to put a question mark beside that statement. She is entitled to say that she does not believe it, and to put down the question mark, but the thousands, tens of thousands and hundreds of thousands of Protestants who say that we do not believe that the IRA will do what they say are also entitled to say just that. We are condemned out of hand, however, because we put down a question mark, but we need to do that. The House would be deluding itself if it did not know about the rejoicing on the republican side at having pulled the wool over the eyes of the Government once again.

I sat in Leeds castle and told the people that I did not like what was happening. I said that I had to swallow hard and convince my supporters of what I was advocating. I was perfectly honest and straightforward. I did not talk to the IRA, and I do not intend to talk to those engaged in violence, whether they come from the IRA side or the loyalist side.

The various people in Northern Ireland have a right to state their convictions, and to say, "I am not convinced". The Secretary of State tells us that the arsenal of the IRA has been done away with, but the only arsenal that has been done away with is the arsenal that was seen by the people who attended the decommissioning. He has no proof, however, that the IRA does not have 10 other arsenals. He had better keep that in his mind. I remember that when we met the two clergymen, the priest said to us, "We could only see old arms. We didn't see arms of a modern nature." I think that the IRA has the best possible arms, that it has arms of a modern nature, but that they were not there. The priest also explained to us that the trigger mechanisms of those bombs, which is the all important part, were all screwed off. They were not there. They were all missing. Are they going to be used for some future bombing? Those are the questions that everyone in their right mind is entitled to ask. They are entitled to demand an explanation.

Mr. Tom Harris: I worry that the hon. Gentleman's argument means that we will never be able to say that the IRA has completely decommissioned, because what he is asking for is proof that weapons that no one knows anything about have been destroyed. It is like trying to prove that UFOs or the Loch Ness monster do not exist—it is a very difficult proposition. Surely, to follow his argument, we will never get to a stage where he or his party will be able to trust the claims of the republican movement.

Rev. Ian Paisley: When the violence has ceased, everyone in Northern Ireland will know that it has ceased. Some of us have lived through it. Some of us have attended funeral after funeral. I have laid my hands many times on a little curly-headed boy or a little curly-headed girl while they were standing at the coffin of their father who had been shot. His only crime was that he wore the uniform of the Crown. That has gone deep into the roots of the people. Standing in the House, which is the birthplace of democracy for the whole world, I surely have a right to say that the deep feeling of those people must be considered and that they must be able to reach a point where they know that they can walk out at night and all is well. When that comes, it will be over, but it is only when the IRA and all the others, whether they call themselves loyalists or whatever, are brought to obey the law that that will happen. That is what needs to happen.

Mr. Peter Robinson (Belfast, East) (DUP): If, as the hon. Member for Glasgow, South (Mr. Harris) says, it will never be possible for us to be absolutely certain that the IRA has decommissioned all its weaponry and that, therefore, we are left with having to make a working assumption at some stage, does not that make it all the more necessary that we tighten the requirement in relation to paramilitary activity and criminal activity,to be absolutely certain over a longer period, because the IRA has bowled short in terms of the transparency that was required on decommissioning?

Rev. Ian Paisley: Of course it does. I have said to the Government, as I am sure the Secretary of State will remember, "You gave the IRA over five years to do what they were supposed to do and now you want to give me five minutes and next you want to give me five weeks." Why is that? When I talk about the majority population, I am talking about the majority of both Protestants and Roman Catholics. Remember that the IRA shot some of what it would call its own people, it buried them and its own people do not even know to this day where it buried them.

Let us look at this as it is. This is a hideous thing that we must face up to. All of us who represent Northern Ireland have a serious responsibility to put forward in the House what the ordinary man in the street is

thinking and feeling. I trust that we will get a feel of that in our own hearts and consciences. At a time when the Government are making arrangements to disband the home battalions of the Royal Irish Regiment and to dismantle the security installations in Northern Ireland, and all done according to a political timetable rather than a security timetable, it is obvious that we need to point out the true level of the threat that is upon our Province at the present time. The very fact that there is a need to introduce the Bill is the clearest possible evidence that Northern Ireland still needs special anti-terrorist measures.

I have voted against some of the things in the Bill in bygone days in this House because I felt that if the Government had used the forces of the Crown in every possible way, they could have nipped the rebellion that was coming in the bud. However, they did not. I voted in this House against the Diplock courts. The hon. Member for North Down (Lady Hermon) has gone now, but it was her party who advocated and plead for them. Mr. Faulkner and others said that we must have them, but if the forces of law and order had been used properly, we could have stopped the rebellion. But it was not stopped; it was encouraged. Blind eyes were turned by Ministers to what was happening.

I remember being called out by the Army night after night to go to vast crowds of people all over our city to plead with them to go home and not engage in any act of violence, for that would bring them nowhere. I did that night after night until my heart was broken to see people so frustrated, people who had dead bodies at home as a result of IRA and other activity. I knew that my country, my country that I love, was going into darkness. We have been in darkness.

Are we going to bring it out of darkness? We will not except that we are strong; the Government and all of us must be strong and face up to the situation. We are not asking for tough, partisan measures. We are asking that everyone be equal, and be treated equally, under the law. There is no other way to run a country in peace but that.

There needs to be an end to all paramilitary organisations. Their activities must all cease; none can be justified, whether the groups call themselves loyalists or republicans. The law-abiding people of Ulster, both Protestant and Roman Catholic, are determined no longer to tolerate terrorists. We can no longer have peace with terrorism. It will have to be dealt with.

Over the coming months, we will be paying attention to the activities of the IRA. But even in circumstances where the IRA is effectively out of the picture, there remains a significant threat from other groups. The police tell me that dissident republicans are trouble and that loyalist paramilitaries have had their troubles; some of those groups seem intent to carry on.

The Bill extends the provisions of part VII to 31 July 2007 and makes provision to extend those powers by order by another year. However, the Government tell me that things are moving well and that I and my people ought to move, too. But why are the Government saying that they will wait until 2008 before finalise things? They are giving themselves plenty of time and they gave the IRA plenty of time. They are not giving the ordinary man in the street who wants peace time to consider what is happening. That is who I am pleading for. If everyone else needs time, we need time also to consider what is happening.

No one wants special powers. We want our country to be free, but if we have to sacrifice some of our liberties in order that all might share liberty, we will have to make that sacrifice whether we like it or not. The anti-terrorist powers that are available to the police and the courts cannot merely fade away to a point where they are not needed or not used before they can be removed from the statute book. It is better that provisions be allowed to wither on the vine rather than being removed prematurely.

As early as 2002, the Northern Ireland Human Rights Commission argued for the repeal of part VII of the 2000 Act. That tells us how the Human Rights Commission was constructed—not one representative put forward the view of the majority of people in Northern Ireland. Of course it was a rigged body and it brought in a rigged resolution. If the types of offences covered by that legislation are not committed, the relevant provisions are not triggered, so there is no harm done by keeping them on the books. If, in a number of years from now, it is generally accepted that Ulster is at peace, there will be no voices louder than ours calling for all these laws be scrapped and buried for ever. We want to live in the freedom that we deserve.

All that has happened in the past few days points to the fact that, as one of my colleagues said, if ever we needed caution, we need it today. It is because of that that I will be voting to support the Bill and to keep these laws on the statute book, for they promise freedom to all of our people and not just to some.

5.56 pm

Sir Patrick Cormack (South Staffordshire) (Con): I congratulate the hon. Member for North Antrim (Rev. Ian Paisley) on his forthcoming elevation to the Privy Council. He speaks with power and passion. I remember his maiden speech. He and I came to the House on the same day, and I sat on the Government Benches and listened to him. He will forgive me if I say that he has mellowed in some respects, but in others the power of the oratory is still there, as is his burning love for the Province.

The hon. Member for Foyle (Mark Durkan), who has recently joined our ranks in this House, comes from an honourable tradition and from a party that has played a brave part in striving for normality in Northern Ireland. The one thing that all of us in this House want more than anything is normality in Northern Ireland. The thing I want to see on a forthcoming visit to Belfast is streets that are not divided by barriers, closed by gates and riven on both sides by hatred and bigotry.

All of us in the House today will support the Bill. I doubt very much that there will be a Division; I hope that there will not be. But the Secretary of State must listen to voices— not to mine, to the voices from Foyle and North Antrim, both of which have urged a degree of caution. In politics, perception is very important and I know from recent visits to the Province that the perception is that the Government have not been even-handed.

I do not accuse the Secretary of State, whom I genuinely wish well. However, there is a perception in the Protestant community, although it is shared by many in the Catholic community, that Sinn Fein has been given a degree of preference that it does not deserve.

[Sir Patrick Cormack]

I sat down with Sinn Fein four weeks ago. It was an experience that I will not easily forget, although I dare say that I shall have to repeat it. We are dealing with people of single-minded determination who are not prepared fully to take part in the democratic process. I said to those people that they have five seats in Parliament and that they could come here and argue their cause. They are entitled to a position on the Select Committee that I have the honour to chair. I said that they could come here and question people—the Secretary of State and others—and that if they truly believe in democracy, it is not only their role but their duty to participate. What sort of answer did I get? I got a clinically cold, utterly unflinching answer of absolute refusal. I will continue to make this point in this House and elsewhere, and I shall certainly make it when I meet those people again, but I will remain fundamentally opposed to their having any rights and privileges in this place until they become properly a part of it and play their part in its debates and in my Committee's discussions.

I know that the Secretary of State agrees, because he said so in the House last week, that if those people want to play their part in creating the basis for normality in Northern Ireland, let them express one little bit of regret and remorse for the appalling misery that the IRA has inflicted on the Province in the past 35 years and more. We saw no expression of regret or remorse when the statement was issued on 28 July. We saw no expression of regret or remorse when arms were decommissioned. I have no doubt that a large number of arms were decommissioned, but I equally have no doubt that the IRA has the scope, facilities and ill-gotten gains to replace them if it chooses to do so. That is why it is so right to pass this Bill tonight. I point out to the Secretary of State that in continuing to be cautious in our legal system, we must also be cautious in the way we regard the protestations of people who have blood on their hands.

If, in future, those people can truly renounce evil and criminality, we will of course have to sit down with them and work with them, but they will have to make a move as well. The situation beggars belief. Is there any other part of the United Kingdom in which a legitimate party funded by the proceeds of crime would be allowed to strut its way on the stage? Yes, it is right to welcome what was said on 28 July and to acknowledge that some decommissioning has taken place, but until those people have fully and absolutely renounced evil in all its forms, they cannot be treated in the same way that the Social Democratic and Labour party, the Democratic Unionist party and the Ulster Unionist party are—or should be—treated by the Government. Those parties may have differences and we may have our differences with them—they may even differ among themselves from time to time—but they all accept the validity of this place and of the democratic process, and they all play a part in it. Those other people do not.

Let us be hard-headed about this. There has indeed been a certain renunciation of the more blatant acts of terrorism and murder. Why? One reason is that 9/11 made terrorism utterly unacceptable in the United States of America. From the moment that those planes flew into the twin towers, IRA-Sinn Fein—or Sinn Fein-IRA; put it which way one likes—realised that they would have to change their outward tune to a large degree. We welcome that, but they have not renounced their organisation's command structure or their deep involvement in criminality.

Two weeks ago, my Select Committee was in Belfast and we received a briefing from the police, the Revenue and the Assets Recovery Agency—I do not propose to give the House the details, because that would be wrong—that would, in the immortal words of the famous Dickens character, "make your flesh creep." There is no doubt that criminality is deeply ingrained in Northern Ireland, and on not just the republican side but the so-called loyalist side. I hate calling those people "loyalists"; I am a loyalist. Criminality has to be rooted out—of both sides. If it is not and those people play a part in the democratic process without renouncing it, that process, of which we are all a part, will be devalued. We must face up to that point.

We have a duty, particularly those of us who represent other parts of the United Kingdom, to ensure that we all uphold and sustain the progress to normality in Northern Ireland, but such progress cannot be made at any price. The price that has to be paid by those who are giving up their arms is a full renunciation of evil, wickedness and crime. They have to be willing to sit down and to play a proper part in the democratic process. That is why we have to be very careful about any legislation that we introduce.

The Secretary of State mildly rebuked me when I intervened on him earlier, to quiz him on the business of the on-the-runs legislation. However, there is a fundamental contradiction in the Government's thinking. Today, they are rightly bringing this Bill before the House and asking for support from all parts of it. They are receiving such support, but in one, two or three weeks' time, the Secretary of State will introduce a Bill—we do not know precisely when, but he said that it will be before Christmas—that will give an amnesty in all but name to some of the wickedest people in the United Kingdom.

I point out to the Secretary of State that if he wants to build normality and to take the House with him—I want to go with him—the House has its instruments. Let him bring that measure to us for pre-legislative scrutiny, so that we can look at what is proposed. Witnesses could be called; indeed, I have offered that my Committee do the job for him, if he wishes. It includes representatives of the three Northern Ireland parties: two from the DUP; the hon. Member for North Down (Lady Hermon), from the UUP, and the deputy leader of the SDLP. It also includes seven Government Members, all of whom have knowledge and deep commitment. I am absolutely determined that this Committee will never work on a party political basis, and that it will work together for the good of Northern Ireland.

Let us look at that measure, have witnesses and ask them questions about it, so that if it is passed, it is truly even-handed. If forgiveness has to be officially sanctioned, let it be sanctioned across the board. If we are to put the past behind us in order to build a proper, secure future, that is the only way to proceed. A nation that neglects its past does not really deserve a future. We would all like to forget much of the past in Northern Ireland, but we must be stimulated by memories of evil

to create a climate of good. We must all be prepared to forgive and forget, but only if, as the soon-to-be right hon. Member for North Antrim said, everyone is treated equally.

I appeal to the Secretary of State to reconsider the forthcoming legislation while accepting the support that he deserves for the Bill. I wish him well. If he earns a reputation as a man who brought the foundation of true peace and normality to Northern Ireland he will deserve a place in the history books, and we can all honour him accordingly. Let caution be his watchword. Do not let him rush, and let him have regard for the deep feelings, the bitter memories, the twisted lives on both sides of the community and the manipulative people who would perpetuate evil. They may have renounced the bullet and the bomb, but they will intimidate with the emotional weapons of terror if we do not give a proper lead.

6.11 pm

Mr. Christopher Fraser (South-West Norfolk) (Con): I rise to speak after some first-class contributions by people who know far more about this subject than I do. My hon. Friend the Member for South Staffordshire (Sir Patrick Cormack), my colleague on the Select Committee, has articulated the way forward given the issues facing us in Northern Ireland.

For the past 30 years, the situation in Northern Ireland has rightly evoked strong emotions among all the parties involved, but we have now reached an important turning point, and we should do all that we can to encourage the process to achieve a peaceful resolution. Over the past decade, the threat of terrorism has greatly diminished. I, too, welcome the IRA statement of July and the report by the Independent Monitoring Commission in October that showed that progress had been made. A "permanent and irreversible" shift away from violence by paramilitary organisations is the only way in which we can create the "enabling environment" needed for sustainable peace. As my hon. Friend the Member for Aylesbury (Mr. Lidington) said, the IRA must cease to engage in all forms of organised crime and other criminal activity. It must also accept the legitimacy of the police and the criminal justice systems in the north and the south, and encourage full co-operation with them.

The measures in the Bill, while enforcing the provisions of part VII of the Terrorism Act 2000, pave the way for "normalisation", as many right hon. and hon. Members have pointed out. However, we must not allow that process to begin while paramilitary groups such as the IRA maintain a blatant disrespect for law and order. It is important that we do not rush into the process without careful consideration of the consequences should the IRA go back on its word. Decisions such as dismantling security installations and watchtowers, dismantling the service battalions of the Royal Irish Regiment and reducing the permanent garrison in the Province by half to 5,000 should be reviewed after a period of time. The IMC concluded that

"clearly we are looking for cumulative indications of changes in behaviour over a more sustained period of time".

Can the Secretary of State tell us what a "sustained period of time" is? We must take into account the fact that the troubles in Northern Ireland have been going on for over 30 years. As much as we want to accelerate the peace process, perhaps we should adopt a patient approach.

It is important to address the issue of loyalist paramilitaries. Much has been made of IRA decommissioning and yet, as the IMC confirmed, the threat from loyalist paramilitary organisations remains serious. If we can take anything from the events of recent years it is that we cannot be complacent about any threat of terrorism from any quarter. Like many others, I watched with disgust the recent violence and disruption on the streets of Belfast following the re-routing of a contentious Orange Order march. It was not, as one would presume, violence instigated by republican organisations. Instead, loyalist paramilitaries attacked our country's police and Army. That is not to be tolerated, especially as it is perpetrated by people who claim to be loyal to the United Kingdom. Loyalist organisations are responsible for more violent attacks than republican organisations, and over the past six months the margin of difference has grown even wider. I call upon the Government urgently to address the current Unionist disaffection with the process. It is imperative that everyone is included and works together.

I am gravely concerned about the fact that there has been little constructive discussion of the process beyond the two-year normalisation period. I hope that the Secretary of State has taken on board hon. Members' concerns about the transition from Diplock courts to trial by jury, and that he will consider that carefully. A clear timetable of action communicated to the parties involved would ensure that we are all singing from the same hymn sheet.

It cannot be denied that the Bill is an essential part of the final "enabling environment", and I support its measures. It would be irresponsible to allow the provisions in part VII of the Terrorism Act 2000 to lapse without sufficient safeguards in their place and the Bill will continue to make such provision. The additional powers for the Attorney General of Northern Ireland are important in helping us to distinguish between offences under criminal law and offences under terrorism laws, which may prove significant in measuring the success of the IRA statement.

Finally, will the Secretary of State consider carefully the points that we have made this evening? I am sure that Members on both sides of the House will show their support for the Bill and for any sensible measures that will finally allow the people of Northern Ireland to live in a country that is no longer threatened by terrorism or violence.

6.17 pm

Mr. Nigel Dodds (Belfast, North) (DUP): May I begin by referring to terrorist and paramilitary developments in Northern Ireland in recent days, following statements by a number of churchmen and others about the loyalist feud and by the Loyalist Volunteer Force about its position? As hon. Members have said, those statements have been welcomed, not least in my north Belfast constituency and in the constituencies of my hon. Friends, which have borne the brunt of a vicious campaign both over the summer and previously. Internecine violence has not just inflicted pain, injury,

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hurt and death on the individuals concerned, but has caused widespread community dislocation and the removal of families from homes and society. Progress to end such violence with statements from paramilitary organisations such as the one by the LVF at the weekend is therefore welcome.

I want to put on record my gratitude to everyone involved in that difficult and challenging behind-the-scenes work. Just as we have made it clear in relation to the IRA that action is what counts, not words, so it is in relation to the LVF and the loyalist paramilitaries. My hon. Friend the Member for North Antrim (Rev. Ian Paisley) referred to Brid Rodgers from Upper Bann, who said that people had many concerns about the LVF statement. Unionists have expressed the same concerns and doubts about IRA statements on behalf of the people whom we represent, but we are often castigated and derided for doing so. We have been told that we should take the IRA at its word, but the former Member for Upper Bann, Mr. David Trimble, took the IRA at its word—he was urged by both sides of the House to do so—and we know where that got us. Three times IRA-Sinn Fein were admitted into government, but on each occasion they exposed their true nature.

We hope that the LVF means what it says. We do not equivocate about loyalist paramilitaries: we want to see them disband and disappear in the same way as republican paramilitaries should disband and disappear. People in all our communities should be allowed to get on with their lives without paramilitarism's coercive effects. We have seen the dreadful effects of paramilitarism in the areas that we represent.

We will support the Government in terms of the Bill, because it is a sensible approach. Unfortunately, we cannot often say that about the Government's approach to issues affecting Northern Ireland, especially in the past few months. The watchword for this debate is caution, and several hon. Members have stressed the importance of caution as we move forward, especially in relation to the criminal justice system. They have rightly stressed the need to be very careful before we remove from the statute book important legislative provisions to combat terrorism.

In his opening remarks, the Secretary of State said that it was vital to have a prudent safety mechanism in place, that we needed a measured approach and that we must not take chances with the safety and security of the people of Northern Ireland. Those are indeed correct sentiments to express when dealing with important issues affecting the safety and security of the people of Northern Ireland.

I hope that the hon. Member for Foyle (Mark Durkan) will not press the matter to a Division. He indicated reservations about the Bill, but I do not know whether he intends to try to divide the House. I noted what he said about sentencing and the concerns about some of the sentences handed down by judges. I have to say that similar concerns have been expressed about several cases in which people have felt that their families have not received the justice that they should have received, because offenders have not received appropriate sentences. I remind the hon. Gentleman that it does not matter whether sentence is passed by a Diplock court or a non-Diplock court, because sentencing is entirely a matter for the judge in either case. Whether a jury is involved in the determination of guilt or not, the issue of sentencing is for the judge only. The argument on sentencing does not therefore rule out support for the Bill.

The hon. Gentleman also mentioned the concern that evidence was prevented from coming before the courts, be they Diplock or non-Diplock, and he mentioned the murder of Robert McCartney. We have seen the campaign on that case, which has resulted in the McCartney relatives having to leave the Short Strand area without—I am sad to say—any real prospect of justice being done. That sort of conspiracy, which is sometimes covert and sometimes much more overt, is one of the reasons why it is still important to have the Diplock court mechanism in place. The sort of people who have carried out the campaign against the McCartney family could easily mount a similar campaign against potential jurors. That should cause hon. Members to support the Bill tonight, not to oppose it.

The requirement for caution to be our watchword stands in direct contrast to the headlong rush by the Government on other matters. How can it be right to say that we cannot take risks with the safety and security of the people of Northern Ireland when the Government have rushed to degrade the security along the land frontier between Northern Ireland and the Irish republic, despite the continuing menace and threat from mainstream and dissident republicans? How can it be right to decide to disband the home battalions of the Royal Irish regiment? I might point out that the members of that battalion heard the news through the news media, instead of being told in an appropriate and proper fashion. How can it be right to proceed with legislation to provide what is in effect an amnesty for people guilty of some of the most heinous crimes in Northern Ireland? Some of that has been done purely on the basis of IRA words, not actions, and despite the fact that the Government told us that they would judge the IRA's statement over time, in terms of its actions and not its words. The Government's actions stand in stark contrast to the pledge given to the people of Northern Ireland.

Let us consider the Government's actions in relation to Sean Kelly, a child murderer and a mass murderer who belongs to the Provisional IRA-Sinn Fein movement. When he was first arrested, we were told by the Secretary of State that it was vital that he should be arrested, because of his involvement in terrorism and the danger that he posed to the community at large. Sean Kelly was released on the eve of the IRA statement at the end of July, purely because the Government were told by the IRA-Sinn Fein leadership that it was vital to the IRA making its statement. Such an approach to the people of Northern Ireland by the Government has bred deep cynicism and a total lack of confidence in their willingness to stand by their pledges, to do the proper thing, and to judge the IRA by its actions, not its words.

The way in which the Government have behaved has contributed significantly to the lack of confidence in the unionist community and the feeling of one-sidedness to which the hon. Member for South Staffordshire (Sir Patrick Cormack) referred. It is intolerable that the Government should rush headlong to make concessions

to IRA-Sinn Fein at a time when it is far from being proved that the IRA is committed, permanently and irreversibly, to exclusively peaceful and democratic means.

The hon. Member for Glasgow, South (Mr. Harris) asked earlier why unionists talk about concessions, but what else are we to call the blatant release of a mass murderer on to the streets so that the IRA would make its statement the next day? How else can the people we represent see it but as a concession to Sinn Fein-IRA? Sadly, there has been too much of that in recent days.

It is right to be cautious. The IMC has made it clear that criminality continues on the part of both the IRA and loyalists; there is no indication that it has been brought to an end. It is deeply ingrained in those organisations. An assistant chief constable of the PSNI told me only the other day that criminality was institutionalised in each paramilitary organisation. It is madness to suggest that within a few months Unionists should be asked simply to turn a blind eye to all that.

In a debate last week, my hon. Friend the Member for Belfast, East (Mr. Robinson) pointed out that the retention of illegally gotten criminal assets and gains from bank robberies and other activities is still a criminal offence and the Minister responding to the debate agreed. There can be no suggestion that everything that happened should be put into the past and that we should turn a blind eye and move forward as if all those things had no impact on people's confidence and their view of the reality of the situation on the ground in Northern Ireland.

Mr. Peter Robinson: Does my hon. Friend agree that it is unrealistic to think that if organisations, whether the IRA or other paramilitary bodies, remain in being, they will remove themselves from some paramilitary and a lot of criminal activity? The only way for the community to be absolutely certain that it is all over is for those organisations not simply to stand down but to disband.

Mr. Dodds: I agree entirely with my hon. Friend, who makes an extremely important point, which was the subject of some exchanges earlier when the hon. Member for Glasgow, South was speaking. He said that we should not get hung up on the issue of disbandment, but some of us made the point that both the Minister for Justice, Equality and Law Reform in the Irish Republic and the former leader of the SDLP, John Hume, were seeking disbandment and the dismantling of the criminal structures of the IRA. It is right and proper that that should happen. There has never been any justification for the retention of terrorist structures, so what possible justification can there be for the retention of terrorist structures and for the retention of the IRA as an organisation if, as we are told by Gerry Adams and his friends, the war is over and Unionists have nothing to worry about? That is not a small matter; it is not a matter of semantics. My hon. Friend is right to point out that it is important, so in January and in the weeks and months thereafter, Unionists in Northern Ireland, and indeed the entire community in Northern Ireland—not just Unionists—must make that clear.

Many people from the Roman Catholic and nationalist traditions come to my constituency advice centres in Belfast, North and say to me, "For goodness' sake, don't let these people who have murdered and tortured us for years and who have been parasites on our communities get away with it. They are transforming themselves from overt terrorists and calling themselves by another name so that they can enforce justice in our community." For that reason, I entirely agree with the approach taken by the hon. Member for Foyle in his comments on community restorative justice.

There is deep concern throughout communities in Belfast, North and other parts of Belfast, and indeed throughout the entire Province, about the notion that although terrorists may not get their hands on the levers of power through Sinn Fein Members becoming Ministers or joint Ministers at Stormont, they may be able to get their hands on the levers of policing and justice locally through community restorative justice programmes and projects. Certainly in republican areas such programmes are being seen as, used as and advertised as an alternative to the normal, regular policing system. There is deep concern, and the Minister must realise that it will cause enormous anger and anguish if there is any suggestion that there would be funding or official sanction or approval for those community restorative justice programmes if they do not fully operate within the normal policing and criminal justice structures, with full co-operation with the police and referrals by statutory agencies and the police, as happens in other civilised countries. To suggest that the sort of programmes that Sinn Fein-IRA are running could be legitimised would cause enormous offence, and would be rejected by the decent people of Northern Ireland, just as the obnoxious proposal for an amnesty for on-the-runs is rejected by decent people across the board.

I again use the mantra of caution to which so many Members have referred. Why do the Government feel compelled to deliver on that pledge made to Sinn Fein-IRA as part of the joint declaration? The DUP was certainly not party to it. The Government should recognise that circumstances have changed and that parties which, in the words of the Secretary of State, endorsed the joint declaration—the pro-agreement parties—no longer speak for the majority, certainly on the Unionist side. They speak only for a small minority of Unionists in Northern Ireland and the Government should recognise that.

I regret the fact that the hon. Member for North Down (Lady Hermon) has left the Chamber and is not making a contribution to the debate. She tried to defend her party's role in the joint declaration, and suggested that there was a difference between being consulted and what the Secretary of State referred to as the pro-agreement endorsement of the terms of the joint declaration. Even at the time, Ministers described the joint declaration, which includes disbandment of the home battalions of the Royal Irish Regiment, the run-down in security and the so-called normalisation process and, as an annexe, provisions for an amnesty for on-the-runs, as a shared understanding among the parties. The Government said again today that the parties endorsed it, but we certainly did not; we opposed it and we continue to do so. We shall not take lectures from the Ulster Unionist party, which has connived with the Government over the years to allow Sinn Fein-IRA into government on so many occasions

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following concessions to which it was a party. As a result, the Ulster Unionists have been rejected overwhelmingly by the people of Northern Ireland.

We welcome the Bill. It keeps on the statute book important legislative provisions, which is right and proper, because the terrorist threat has not gone away. The Government should take the same approach to other vital issues in Northern Ireland that affect its people deeply. The Government should think again about those matters before it is too late.

6.38 pm

Greg Mulholland (Leeds, North-West) (LD): Shortly before the start of the new Parliament, I and my hon. Friend the Member for Solihull (Lorely Burt), as members of the Northern Ireland Grand Committee, were pleased to make a pleasant and informative visit to Northern Ireland. I pass on our thanks, through the Minister, to the Northern Ireland Office. Our welcome was as warm as the visit was well organised.

I am pleased to be a member of the Northern Ireland Grand Committee and hope to play a small yet full part in its important work, although it is the first time that I have accepted a job in an organisation that I hope will be done away with when power is returned to Stormont, the wonderful seat of Government in Northern Ireland that I was so happy to visit. The magnificent view from Stormont looking over the city of Belfast will live with me for a long time. It was my first visit to Northern Ireland, despite having a grandmother from there.

My generation grew up thinking that Northern Ireland was somewhere that people would go only if they needed to, so it was wonderful to see now a thriving, vibrant European city that reminded me of my home city—Leeds—and of Manchester, near where I was born, and of Glasgow, where I spent two happy years. I agree with the conclusion of my hon. Friend who said that we would very much like to take our spouses and families on our next visit. But I also saw first hand for the first time the roads and areas that are known the world over and I found that experience more startling and more revealing than I could have imagined.

It was not the murals, the bunting, the memorials or even the peace walls, which I was sad to hear are still getting ever higher and longer, that left the most impression on me, but the comments of the helpful official from the Northern Ireland Office. As we turned a corner, he said, "These people are all Catholics." We turned another corner, he said, "The people at that bus stop are all Protestants." Indeed, when we turned another corner, we saw a Tesco supermarket, and I asked, "Are you telling me that only one side of the community goes to that supermarket?" He said, "Yes, that is a Protestant Tesco." Many of us who live on the British mainland have grown up with false assumptions and misunderstandings, and from my own experience, I know that people need to see some of those things to try even to start to understand them.

I also saw the debris and the damage caused by the appalling violence of the summer, and it is clear to the Liberal Democrats that most of the measures in the Bill are still needed, which is why we support the Government on that. I concluded that some of the time-limited measures in the Bill are also needed, and, again, we support the Government on that. Indeed, Lord Carlile's letter, which was so helpfully distributed to us this afternoon, says:

> "In sum, I remain of the view that, in terms of the prevention of terrorism, some special powers remain necessary."

However, some of those powers are more difficult to accept than others.

In last week's debate on the Terrorism Bill—a debate in which I was very pleased to take part—there was much discussion about striking a balance and which liberties we must sacrifice to gain greater protection from terrorism. Although I acknowledge that the balance in the Bill is nearly right, I argue that it is not quite right. From my limited experience—I acknowledge that it is very limited in Northern Ireland matters—surely balance is everything.

The balance in the Bill is not quite right for two reasons: first, because of what is still there and, secondly, because of what is not there. On what is still there, why has there been no move even to consider the recommendation in the 2004 Carlile report to use three judges in Diplock courts? Surely that would be an important step towards the eventual re-establishment of trial by jury. We fully accept that that is something for the future and that it will be implemented when it can be realistically restored. On what is not in the Bill, section 108 of the Terrorism Act 2000 allows the oral evidence of senior police officers to be admissible as evidence about people's membership of specific organisations. I concur with Lord Carlile's conclusion in the 2004 report, which says:

> "It is a provision that lies uncomfortably in the broader context of normalisation and the Good Friday Agreement."

The Bill sends out a message fundamentally and most importantly to the communities in Northern Ireland, but it also sends a clear message to the wider world about Northern Ireland's future. That message is not quite right, and I ask the Government to look again.

I look forward to my next visit as a member of the Northern Ireland Grand Committee to the fine city of Belfast, but I look forward even more to visits after that when that body no longer needs to sit. Most of all, I look forward to visits in the future with my family, quite simply as a tourist. So my message is simple: let us get the balance and the message right because I believe, from my limited experience, that the future of Northern Ireland depends on it.

6.46 pm

Mr. Gregory Campbell (East Londonderry) (DUP): Given the disparate nature of political opinion in the House, it is pleasing to hear the degree of consensus that has emerged in debating the renewal of the provisions in the Bill. However, as I told the hon. Member for Foyle (Mark Durkan)—this has been repeated innumerable times—we should proceed with caution. I want to consider that caution.

At various times in the past 36 years, paramilitary groups have made announcements. Some of them have gone further by engaging in acts of decommissioning. Other statements have been made since the first act of decommissioning by the Loyalist Volunteer Force. But all those announcements and acts have had a uniform response from the Government. Almost

without exception, the Government have been very anxious immediately to rush to the fences and say, "This is a wonderful step"—whether it was an early announcement of semi-permanent ceasefires, the LVF's initial decommissioning incident, subsequent acts of decommissioning by republican paramilitaries or statements by loyalist paramilitaries. Almost without exception, there has been an immediate, positive response from the Government. For that reason, we should all proceed with caution.

The LVF carried out an act of decommissioning some years ago and subsequently carried out many further acts of terrorism and intimidation. All those who greeted the LVF's initial act of decommissioning with tremendous hope and expectation should have been more cautious when the IRA indicated its intention to decommission, and whatever acts transpire subsequently—we know not as yet the entirety of them—one would have thought that caution would be the watchword and that people should not rush to acclaim yet another such action.

I want to refer to the physical manifestations of a readiness to accept the words of paramilitary groups. That is where I take exception and differ with the Government about how they should deal with the words of the terrorist groups. For example, in relation to the Bill, if the Government are saying, "Yes, we should be cautious; yes, we should renew the legislation", why did they not equally say, when the IRA made its statement on 28 July, "We will wait and see before we remove the watchtowers on the border. We will proceed cautiously. We will go gently. We will go slowly." But, no, they hastened to remove the watchtowers. They hastened to announce the effective disbandment of the Royal Irish Regiment home service battalions. They hastened on a whole host of other issues in response to an IRA statement, but caution should have been the order of the day for physical manifestations, as it should be with legislation.

There could be those—I hope that there are not—who say that, because of the statements and decommissioning, we should effectively do away with the legislation in place because the Government could reintroduce measures in future. My response would be that the Government could more easily do that than they could re-erect the border checkpoints, which would take many weeks and months of physical work. However, things that would require more time to put back in place were removed more quickly than the legislation that we are discussing.

There was much talk over the weekend about the president of Sinn Fein, Gerry Adams, who made a declaration on television on Friday evening in which he said that he believed that the war was over. He said that he had not said that before. Many Unionists over the past 11 years erroneously called for Gerry Adams to say that the war was over. I am interested not in what Gerry Adams says, but in what the IRA does. What it says is of almost no consequence. When it has disappeared and left the stage, with all its arms—both ancient and modern—gone, dismantled and never to return, that will be the point at which the Unionist and the nationalist communities will know that the war is indeed over, not when we hear honeyed words from Gerry Adams.

The Secretary of State and several other hon. Members mentioned the IMC report that will be published in January. It is 11 years since the first IRA ceasefire, but are we expected in the next 11 weeks to declare whether we believe that the IRA has disappeared from the stage? If the Government are expecting that to happen, I am afraid that they are in for yet more disillusionment and disappointment. Do they think that in 11 weeks the Unionist community will pass judgment despite what it has seen during the failure of the past 11 years? It will take much more time than that. The Government have talked about a working assumption that the IRA has indeed left the stage. It will take more than a working assumption in the next 11 weeks to show that the IRA has indeed vanished.

Hon. Members have mentioned the Secretary of State's decision to announce the restoration of Assembly allowances on the back of the 28 July statement by the Provisional IRA and the subsequent action. We understand that there will be a move to restore House of Commons allowances to Sinn Fein Members. However, it should not go without comment that, when last year's allowances were disclosed last week, we saw that Sinn Fein Members claimed £80,000 for their additional costs allowance. They claimed more for not attending this Parliament than some Members who come here. If that is not a ludicrous commentary on the allowances situation, I do not know what is.

Policing is central to the future of Northern Ireland. Few Unionists want Sinn Fein to become a central part of policing—I do not know of any—but many people in Northern Ireland want every political party to be in a position in which it can endorse policing with no ambiguity or skeletons in the cupboard, and with no twin-track strategy of politics by day, but community restorative justice by night, which the hon. Member for Foyle mentioned.

In response to questions from the Northern Ireland Affairs Committee last week, the Secretary of State mentioned community support officers. Will the Minister take the opportunity in his winding-up speech to again drive home the message that there is no place, and can be no place, for paramilitaries, or those associated with them, either in the police in Northern Ireland, or as community support officers in Northern Ireland? It would be simply intolerable if a victim could have coming to his or her door someone who was involved with the paramilitary group that caused the problem that made her go to the police in the first instance. I hope that the Minister will yet again rule that out entirely and say that it will not be possible, under any circumstances, for the IRA or any paramilitary group—loyalist or republican—to be involved in policing.

6.56 pm

Dr. William McCrea (South Antrim) (DUP): I am delighted to follow my hon. Friend the Member for East Londonderry (Mr. Campbell). As has already been indicated, we will support the Bill in the event of a Division.

The Bill's title is "Terrorism (Northern Ireland) Bill", and terrorism has been a sad reality—constantly and continuously—in the lives of the people of Northern Ireland, in particular, for more than 30 years. We have

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witnessed the ravages of terrorism. We have seen what it has done to families, communities and society in general. However, let us never forget that behind each statistic on terrorism is a personal tragedy. Let us not forget the homes and families that have been destroyed because of terrorism in our Province. In not only the United Kingdom as a whole, but across the world, the reality of terrorism is gripping society. We see how it threatens civilised society throughout the world.

The tragedy of Northern Ireland politics is that terrorists have been capitulated to and appeased for the past 30 years. The sad reality is that that capitulation and appeasement policy has not ended. The appeasement policy is continuing.

I must confess that I am absolutely amazed by how gullible successive Governments can be. Whenever the IRA suggests that it will make a statement, it seems that democratic society is supposed to wait with bated breath and then hang on every word of a terrorist thug who makes a statement in the political arena. It is somehow seen that that changes the whole scene and that we must be thankful for it. Government Ministers have even praised the IRA, but for what? Do we thank the terrorists for stopping their terrorism? Are we supposed to thank them for no longer—at this present moment—showing the evidence that they are murdering and causing mayhem and destruction in our society?

I say this without equivocation: terrorist organisations deserve no praise and no thanks from Members of this House. There was no justification whatsoever for their acts of terrorism over the past 35 years. There was no justification for leaving little children without a father. There was no justification for their terrorism, which robbed mothers of their children. Nor do they deserve any thanks because they say, "We are not going to continue our terrorist campaign at this moment. We are no longer going to destroy the lives and scatter the bodies of little children across society, the hills, the streets or the roads of Ulster." That is the sickening position that we are in—that somehow we are to praise them, to crawl to them and to make them acceptable in our society. That is what has been happening over the past weeks and months. I believe with all my heart that that is the sickening reality.

The IRA seems to have got very sensitive. We had the decommissioning of its weapons, or at least those that were known about, and none of those were from 1996. It did not want photographs of that. It was not so sensitive when it allowed the cameras in for other reasons. The Government were happy that the cameras were present when they demolished the watchtowers. They were not as sensitive whenever the troops were taken out and were photographed getting on to the plane. The IRA was not as sensitive about the cameras outside the gates of the prison whenever the IRA terrorists got out as part of the Belfast agreement. It was, however, sensitive when it came to having independent witnesses endorsed by the community and having photographic evidence of the destruction of terrorist weaponry. That is why society in general in Northern Ireland is not jumping up and down but is cynical about what has happened with the IRA.

Unionists are supposed to believe the IRA because it has made a statement. We are to believe Gerry Adams and Martin McGuinness, but for the past 35 years Adams and McGuinness denied being in the IRA's so-called army council. They were lying through their teeth. Now, whenever they say, "Ah, well now the war is over", we are supposed to believe that somehow this dishonest grouping has turned honest and that those who have shown no integrity are now people of integrity, decency and honesty within our society, and we supposed to bow in submission to them. That is something that the Unionist population will not be doing to the IRA or Gerry Adams. He was part of the IRA machine that committed murder and destroyed the lives of innocent people, both Protestant and Roman Catholic, in Northern Ireland.

Lembit Öpik: Although I agree with the hon. Gentleman's advice for us to be cautious and to require proof, why does he feel that we are being made to bow in submission to the IRA?

Dr. McCrea: I did not catch the question, but there has been a constant flow of concessions to the IRA. That is bowing to the IRA, and the flow of concessions has not ended. We are being drip-fed what was agreed at the Weston Park talks and in the declaration and the Belfast agreement. Unionists ask me, "What else has been agreed? What else have we not been told?" My constituents have a right to know. If this Government have entered into an agreement with the Provisional IRA, they deserve to be told honestly, in a democratic society, what has been done in their name. Remember: this Government are our Government. They are the Government of the United Kingdom.

Mark Durkan: I am glad to hear the hon. Gentleman's disdain for secret deals and secret understandings on what else has been agreed. Does he recognise, however, that things were agreed in the so-called comprehensive agreement of 8 December, not all of which were published? The only people who know what was agreed that was not published are the Governments, Sinn Fein and the Democratic Unionist party.

Dr. McCrea: It is always helpful whenever people who oppose my party ask questions, and I am happy to answer the hon. Gentleman. There was no agreement. Certain Government proposals were made and we took certain positions, but no agreement was entered into. Let us make that abundantly clear. We are tied by nothing. Many things were suggested by the British Government, the Irish Government and the American Government. Whenever we think of the current situation with regard to decommissioning, did not they all accept that it had to be verifiable? Did not they all say that photographic evidence would be essential? Where did that go? There was no agreement. That is the proof of it.

As far as the DUP is concerned, we were honourable in anything that we entered into and in the talks that we had with our Government. We have told them exactly where we stand and the principles on which we stand. I assure the House that our manifesto shows that we have stood four-square on what we promised the people we would do. There are no back-door deals as far as the DUP is concerned. We have an honest, open-door

policy because we have nothing to hide from the people. The Ulster Unionist party knew the folly of doing back-door deals and saw where it got them. My party is not entering into any sordid deal, unlike the Ulster Unionists. We want everything to be verifiable and open. We certainly want our Government to deal honourable and decently with us as democrats.

I thought that the hon. Gentleman was going to talk about the victims commissioner. The position of victims commissioner is no gift to anyone. Remember that we are talking about victims—people who have been butchered and slaughtered by terrorists. To give us a commissioner as a concession to a society is totally wrong. He did not mention how the Chief Commissioner for Human Rights and others were appointed—to the Equality Commission for Northern Ireland, for instance. There was little or no representation from the majority community, but that does not seem to bother certain hon. Members. However, they are stung whenever someone who has been a victim herself heads up a victims commission. Who else would do that other than a victim?

Mark Durkan: I reassure the hon. Gentleman that I have not attacked the concept of a victims commissioner. When the Secretary of State made his statement a couple of weeks ago, we welcomed that office. We also wanted the commitment made in the joint declaration to a forum for victims and survivors to be brought forward. One could work with the other. I was critical of the way in which the Government appointed the victims commissioner because the only party with which they consulted was the DUP. I agree that we are talking about victims. They did not choose to be victims and they are from all sorts of backgrounds. The appointment should not be on the say-so of one party alone.

Dr. McCrea: I am glad that the hon. Gentleman has an insight that no one else has. He thinks that the Government only spoke to one group. I do not know that. I do not know how he has that information. Perhaps he is privy to a special document. All I am saying is that the person who is appointed as victims commissioner should represent genuine victims of the tragedy of our Province. The lady herself is truly a victim and we should salute her and others who have honourably withstood all the terrorism committed against them by the Provisional IRA, the Irish National Liberation Army and other illegal and terrorist organisations.

Rev. Ian Paisley: The hon. Member for Foyle (Mark Durkan) will know, as the world knows, that this lady is only temporary. She has been appointed for only a year. The appointment was not permanent. To say that she was not appointed properly is a red herring, an accusation made by people who had to scrape the bottom of the pot to find something against her. The DUP does not believe that the Chief Commissioner for Human Rights was appointed properly. She does not represent the proper score of the people of Northern Ireland. She has taken action and slandered Members of this House, yet she is supposed to be a proper person to administer human rights. Nor do I think that a person from the Irish Republic who knows nothing about Northern Ireland should have been appointed to the Equality Commission. Yet we have had no loud protest from the hon. Gentleman about those appointments. They were all right because they represented his part of the country.

Mark Durkan *rose—*

Dr. McCrea: I am interested in the exchanges. The hon. Member for Foyle (Mark Durkan) seeks to intervene on my hon. Friend, but I shall continue my speech. I agree wholeheartedly with my hon. Friend.

It is disgusting that the Irish Republic can put its nose into the affairs of Northern Ireland in relation to on-the-runs and such legislation. To me, the murderers of the policemen of Northern Ireland are equal to the murderers of Gerry McCabe, and yet as far as legislation and the Irish Republic are concerned, they are to be treated differently. But the Government will allow those who murdered the police officers and the members of the security forces in Northern Ireland an amnesty in all but name, and that is sickening to the people of Northern Ireland.

Mr. Peter Robinson: I am a little concerned and I wonder whether my hon. Friend shares my concern. The victims commissioner's role, of its nature, deals with sensitive issues. It is a difficult job, assisting people who have been massively disadvantaged in life because of the act of evil men and women. The hon. Member for Foyle (Mark Durkan) may well have misgivings about the processes, but will my hon. Friend join me in urging him to put those behind him and give support to the victims commissioner in the crucial task that she has ahead?

Dr. McCrea: I agree wholeheartedly with my hon. Friend in his appeal to the hon. Member for Foyle.

Mark Durkan: Will the hon. Gentleman give way?

Dr. McCrea: I want to get on, but if the hon. Gentleman wants to say yes, that will be quick and allow me to move on.

Mark Durkan: The hon. Member for Belfast, East (Mr. Robinson) is right. Our misgivings and criticism are not of the person who has been appointed, or even of the concept of the office itself. We have spent a long time saying that more needs to be done for victims, with victims. That is why, whenever the proposal for a victims commissioner has been made, we have always said that there should also be a forum for victims and survivors, because both could work well together to take matters forward. I will have no hesitation in meeting and working positively with the victims commissioner. I want to see a forum for victims and survivors working alongside her and her successor.

Dr. McCrea: I thank the hon. Gentleman for giving that support to the victims commissioner, which will be of great support as she takes this heart-rending responsibility upon her shoulders and deals with the many others who have been in a similar position to her.

[Dr. McCrea]

We are asked to believe the word of terrorists that terrorism is over. Is that true? We all know that in the past the IRA has been good at using its surrogates. When it did not want to be associated with a certain action, it used what are now called dissident republicans. It had terrorist organisations that it was happy to use whenever it suited them for a particular occasion. I challenge the Minister to tell the House how many people have been removed from their homes in recent months on the advice of the security forces. How many have had to be removed from their homes since the IRA statement? It is all right to tell the world that the war is over, but in recent weeks constituents of mine with employment in a republican area have had to give that up because they were under threat from republicans, as have those of other hon. Members. If the war is over, why have people been moved out of their house under threat of death? This must be challenged, because in the past the IRA has used other organisations—

Mr. Peter Robinson: Privatised.

Dr. McCrea: Yes. It is serious. The threat of death is still upon the head of members of the security forces and they are being moved out of their homes.

David Simpson (Upper Bann) (DUP): I agree with my hon. Friend. Up to the end of September, I think that 14 security force member families were moved from their homes, and only this week and last week, I have dealt with four security force member families in my constituency. I urge the Government to speed up the special purchase of evacuated dwellings scheme, because these families are desperate. We are dealing with the republican movement, and those people are responsible for this.

Dr. McCrea: I thank my hon. Friend for that helpful intervention. I trust that it helps the Minister to exercise his mind when he comes to the Dispatch Box. The House should be careful in accepting the statements of republicans that terrorism is over when, in reality, it is continuing.

Will the Minister also tell me who it was, since the IRA statement, who forced the McCartney family out of their house. They were not under threat of death by dissident republicans. They were threatened by the Provisional IRA. Since the IRA statement, the last of the family has had to move out of their home. It is a despicable thing. I give credit to the family for the courage that they have shown in standing up and demanding simple justice for their brother who was murdered. They were not asking for special treatment; they were asking that those who committed this foul and dastardly deed of murder be brought to justice. Yet there is a wall of silence, which is active not only in the Provisional IRA, but in the Provisional Sinn Fein movement in recent days. The IRA tells us that the war is over, so will the Minister tell us who threatened the McCartney family and made them leave their home after the IRA statement was made. That is important.

Criminality is deeply ingrained in terrorist organisations right across the board, so will the Minister tell us whether any of the £26 million stolen in the Northern bank raid has been handed over now that the persons who organised it and were a part of it have turned politician or democrat? Have they turned in the money, or is it, as many people say, the pension fund for provisionals who have been active over the years? We need a complete disbandment and dismantling of the IRA structures; nothing else will be accepted.

We are saying to this House that yes, we will support the Bill, as it is essential for our Province at this time. The very fact that it is essential proves that the Government do not believe that terrorism is finished in Northern Ireland, but that the deep-seated terrorist philosophy that has been aided and abetted by many in society seems to be deeply ingrained.

The more concessions that the Minister and his Government give to this terrorist organisation—the so-called now-turned-democrats of Sinn Fein-IRA—the more they put back any possibility of seeing structures within Northern Ireland. We will not be party to terrorism and terrorists by night, and politics and politicians by day. We want our Province to be rid of the scourge of all terrorism and turned into a prosperous Province that everyone can enjoy but in which only democrats can be allowed to enjoy the proceeds of democracy.

7.21 pm

Mr. Jeffrey M. Donaldson (Lagan Valley) (DUP): I have listened with interest to many contributions, particularly that of the Secretary of State. I welcome the renewal of this legislation. It is prudent for the Government to do so, because we continue to have a terrorist threat in Northern Ireland and do not yet live in an entirely normal society. That is evident, as several right hon. and hon. Members have said. I therefore join my colleagues in saying that we will vote for the Bill.

Reference has been made to the process of normalisation. At the weekend, I read a commentary on the changes that have taken place in the police service in Northern Ireland, particularly in relation to the roles of the CID and special branch. There is concern that the police do not have sufficient resources and have been denied access to vital intelligence-gathering techniques in bringing successful prosecutions against terrorists in Northern Ireland. We saw a clear example in the robbery of the Northern bank, which was mentioned by my hon. Friend the Member for South Antrim (Dr. McCrea). There was a lack of intelligence coming through to the police in advance of that robbery, which has secured a place in history as the largest bank heist ever to take place in the United Kingdom. I am afraid that that lack of intelligence is a direct consequence of some of the changes in policing. It is not that we do not want a normal police service—of course we do—but at times the speed of normalisation runs ahead of the reality on the ground as regards ongoing terrorist activity. The Government need to move carefully.

Some of the changes in policing have undoubtedly brought benefits to the community. I have seen the benefits of community-style policing in my constituency. But I have also seen the enormous pressure that police resources come under as a result of the downsizing of the police service. It is very difficult for the police to balance and juggle all their competing priorities, and at times, unfortunately, situations are not fully and properly policed. That is regrettable.

For the time being, the police continue to need the support of the Army—in particular, the home service battalions of the Royal Irish Regiment. That is why we believe that the announcement in August of the disbandment of the home service battalions, while having regard to their ongoing operational commitment, was at best premature and was unwelcome in terms of the message that it sent out, not least to the soldiers who serve in the home service battalions. I regret the manner in which they have been treated, and I particularly regret the manner in which the Government handled the announcement of the disbandment process. As I said in an intervention on the Secretary of State, the mishandling of the announcement is being compounded by the fact that the soldiers are being kept in the dark about their future and are now being told that it could be January next year before they know what is going to happen in relation to redundancy packages and their options in terms of remaining in the Army and serving in Northern Ireland. That is unacceptable. I have urged the Secretary of State to see what he can do, and for our part we will see what we can do, to persuade the Secretary of State for Defence to move with more haste on this matter, while ensuring that the right package is offered to the soldiers.

Policing, which my hon. Friend the Member for East Londonderry (Mr. Campbell) also mentioned, is a crucial issue in Northern Ireland. It would be entirely unacceptable to have in the Government of Northern Ireland a party that still refuses to support the police. I noted that in a recent interview Martin McGuinness said that it could not be a precondition of restoring the political institutions that Sinn Fein supports the police. Let me make it clear that for us it is a precondition of democracy that it is unacceptable for a party that is in government and is tasked with the responsibility of making and upholding the law to fail to support the forces of law and order. The Government must press home that point.

I say to the Minister that we do not want to hear about more concessions being made to Sinn Fein on policing. I agree with the hon. Member for Foyle (Mark Durkan) and his party about the restorative justice scheme that Sinn Fein is pushing. That rings alarm bells right across the community in Northern Ireland, and the Government need to be very careful about how they proceed. If they are going to take the approach of making concessions to Sinn Fein on restorative justice or policing, they need not take it for granted that my party will continue to give support to such changes and sit by on the sidelines doing nothing. If the Government try to buy Sinn Fein's support for policing through such concessions, they need not assume that my party will continue to participate in policing institutions such as the Policing Board given that policing might be corrupted.

The need for this legislation remains because of the ongoing activities of various paramilitary organisations. We do not yet know whether the statement made by the Provisional IRA at the end of July and the subsequent act of decommissioning, whatever that may have been, represent a complete end to the IRA's violence and criminality. We have rightly approached this issue with caution and scepticism given the manner in which the IRA has acted in the past when it has said one thing and contradicted its words with actions that are contrary to the rule of law. That applies, of course, to all paramilitary organisations. We urge all such organisations to move swiftly to declare an end to their violence and criminal activity and to accept that the only way forward in Northern Ireland is the path of peace and democracy. That is our consistent position, and we will continue to urge it.

On the restoration of the political institutions, and in particular the Assembly, the Government must understand that we will not be prematurely pushed into government unless we are convinced that everyone involved is committed to exclusively peaceful and democratic means, which involves not only our being convinced, but the community that we represent being convinced. As my hon. Friend the Member for North Antrim (Rev. Ian Paisley), who will soon be my right hon. Friend, has consistently said—the Prime Minister also said this at the Dispatch Box on an earlier occasion in reply to my hon. Friend—everyone must be satisfied that this time the restoration of the political institutions is for real. That includes the community, who must have sufficient confidence in the process. I regret that the IRA did not go further in its act of decommissioning and go the extra mile by creating transparency, which would have allowed people to see more clearly exactly what happened and how it happened.

I agree with the former moderator of the Presbyterian Church, Dr. David McGaughey, about the role of the so-called independent witnesses, the two churchmen, whom he described as "observers" rather than "witnesses". Whether they are in a court of law or whether they are a character in a television programme, a witness normally provides testimony about what they have seen, but the two churchmen cannot do that, because their agreement with the IRA means that they cannot speak in detail. As Dr. McGaughey said, they acted as observers rather than witnesses, which we regret. If the IRA had gone further, it would have had a more positive impact on public confidence.

I join other hon. Members in welcoming the appointment of Mrs. Bertha Mcdougall as the interim victims commissioner in Northern Ireland. I have known Mrs. Mcdougall for a number of years and worked with her when she chaired the Forgotten Families group, which represents pre-1982 RUC widows. I watched as she campaigned vigorously on behalf of those widows, and she is a good appointment and the right person to fulfil that difficult and challenging role. She will bring personal compassion and understanding to the job, because her husband, who was a RUC reservist, was murdered in Belfast by the Irish National Liberation Army. All hon. Members should welcome her appointment, and we wish her well in her difficult and challenging role. The task will not be easy, and she will undoubtedly have her critics, because it is difficult to deal with a large group of people with different perspectives, many of whom have different views of victimhood.

I shall lay down a marker. My hon. Friend the Member for Upper Bann (David Simpson) and I are responsible for liaising with victims groups, which I have met on a number of occasions. A victim is someone who has suffered as a result of terrorist violence or general violence in Northern Ireland, but they are not a perpetrator. A victim does not go out in the name of a paramilitary organisation and seek to take

[Mr. Jeffrey M. Donaldson]

life and cause destruction, and the Government must understand that point. It would be totally unacceptable if the definition of "victimhood" were extended to embrace those who, whichever organisation they were associated with, were engaged in bringing hurt, pain and destruction to lives and property in Northern Ireland. The victims groups have made themselves clear on that point, and I know that they will put that view across to the Government and the new victims commissioner.

I must make another point on behalf of victims in Northern Ireland. The Secretary of State has told us on many occasions that some aspects of the process are at times unpalatable, but that we must accept them because of the direction in which we are moving. The victims have had to accept a lot, and I know that the Secretary of State visited Lisburn in my constituency last week, where he met members of Families Achieving Change Together and the new victims commissioner. I know that the victims told him about their deep hurt and sense of injustice at things such as the release of the prisoners, the removal of the name, "Royal Ulster Constabulary" and other hurtful concessions. He should not underestimate victims' deep sense of injustice at the proposal that legislation should be introduced to provide terrorists who are on the run with something akin to an amnesty.

The proposal to extend concessions to terrorists, whether or not they are IRA terrorists, who have fled the jurisdiction and who are fugitives from justice to allow them to come forward and confess to crime goes against the whole basis of justice. If the Government proceed down that line, they will besmirch justice and democracy in Northern Ireland and the United Kingdom. They must think carefully about the issue, which is very sensitive and has the potential to create a lot more hurt and pain for those who have suffered.

It is one thing to lose one's loved one and live with years of hurt, pain and grief, but the Government will significantly compound that hurt if they proceed with a proposition that was not part of the Belfast agreement, that has never been voted for or endorsed by anyone in Northern Ireland and that does not, so far as I understand it, have the support of any of the democratic parties in Northern Ireland—the hon. Member for Foyle (Mark Durkan) will correct me if I am wrong. Even the Alliance party opposes that proposition, along with most of civil society.

The Government must think carefully. If they believe that the IRA's campaign of violence and act of decommissioning is over, why are we making this biggest-of-all concessions? The Secretary of State must re-examine the issue, because it will set back political progress in Northern Ireland and damage community confidence. As I have said, this party's position is that unless people have confidence in the political process, we will not act prematurely and join a Government who do not have the confidence of the people whom we represent. The issue is important, and it has the potential to set back the day when the political institutions are restored, which I regret, because I want to see properly functioning, local, democratic government restored to Northern Ireland, but it will not be at the price of justice for the victims of terrorism. We will vigorously oppose legislation to help terrorists who are on the run, and I hope that such legislation will be opposed in the other place and that the Government have cause to rethink their approach.

I welcome the Bill, although I hope that the need for it will have gone in the not-too-distant future because we have a truly peaceful, normal society. We genuinely want to see that happen, but we will not turn a blind eye to the reality that it has not happened on the ground and that it is still some way off. Instead of going down the road of further concessions to try to win the peace, which has not worked in the past, the Government must uphold the principles of democracy and justice in Northern Ireland and make it clear to the terrorists that their violence has no part in Northern Ireland's future and that the Government will not be tempted to seek to buy off those who have engaged in such violence. Every time they do that, it undermines the role of the democratic parties in Northern Ireland. It undermines the role of the hon. Member for Foyle just as much as it undermines the role of my party and its approach to politics in Northern Ireland.

It is time that the Government stood beside the democrats and the democratic parties in Northern Ireland, and took account of the genuine fears and worries that persist in the community that we represent. I know that, in recent days, the Secretary of State has met people who have told him of those fears. I say to him, however, that it is one thing to listen, but another to understand and act on the things that he has heard. I hope that he will do that in the days that lie ahead.

7.41 pm

Mr. Laurence Robertson (Tewkesbury) (Con): I agree with my hon. Friend the Member for Aylesbury (Mr. Lidington). We regret the necessity for the Bill, but given the continuing situation in Northern Ireland it is indeed necessary. That was acknowledged by all who spoke except the hon. Member for Foyle (Mark Durkan), who would have preferred the Government to be bolder in moving towards a more normal situation in Northern Ireland. The rest of the House realises that we are not yet in such a situation. I am sorry that we must support the Bill, but we must.

The hon. Member for Glasgow, South (Mr. Harris) made a measured speech. I think he reflected the sentiments of the House in expressing the hope that this was the last occasion on which we would have to consider such legislation. He acknowledged, however, that the present circumstances could represent a false dawn, and regretted the fact that many debates of this kind took place against a continuing threat of violence.

I hesitate to try to sum up a speech by the hon. Member for North Antrim (Rev. Ian Paisley)—soon to be the right hon. Member—in just a few words, but I shall do my best. The hon. Gentleman drew attention to an apparent contradiction in the Government's position: although we are constantly told that things are much better in Northern Ireland—that the IRA has given up all its weapons, and is ceasing all its activities—we still need to introduce the Bill. Indeed, a number of Members drew attention to that apparent contradiction. No doubt the Minister will set our minds at rest when he explains the Government's position.

My hon. Friend the Member for South Staffordshire (Sir Patrick Cormack), who chairs the Select Committee, made—as usual—a telling and powerful

speech. He called for Sinn Fein Members to take their seats, and, more important, for the Government to be seen to treat them in the same way as everyone else. That, I think, echoes the thoughts of many other Members. My hon. Friend the Member for South-West Norfolk (Mr. Fraser) stressed the need for patience, and condemned loyalist violence. The hon. Member for Belfast, North (Mr. Dodds)—who has apologised for not being able to stay for the winding-up speeches—urged caution, and emphasised the importance of not risking the welfare of people in Northern Ireland.

The hon. Member for Leeds, North-West (Greg Mulholland) spoke of his first visit to Northern Ireland. He mentioned the many good things that he saw, but also his disappointment at some unfortunate aspects of the Province that still remain. The hon. Member for East Londonderry (Mr. Campbell) said, in a passionate speech, that it mattered what the IRA did, not just what it said. He also ridiculed—I think I am right to use that word—the action of members of Sinn Fein in claiming allowances for a job that they did not actually do. It surprises many people that they are able to do that.

In another passionate speech, the hon. Member for South Antrim (Dr. McCrea) said that we should not thank the terrorists for ceasing to do things that they should never have been doing in the first place. He rightly said that there could be no justification for acts of terrorism on either side of the divide. In a wide-ranging speech, the hon. Member for Lagan Valley (Mr. Donaldson) said that members of all political parties who seek to take their seats in government should support the police. It is nonsensical to think that a constitutional party can exist without supporting the police, who are there to enforce the laws that that party will pass.

As I have said, it is unfortunate that we need the Bill, but we do need it. People in Northern Ireland want many things, but most of them want to be treated normally. When I last visited Northern Ireland, only last week, I saw the need to go beyond having meetings with the police and political parties, important though that is. I took myself to a hospital, a school and one or two other places, and saw excellent work being carried out. The school system, which for some reason the Government seem intent on dismantling, is achieving very good results—the best in the United Kingdom, I believe—through grammar schools, and Northern Ireland education in general. Those facts are lost, however, when all we and the media talk about is security. It is important to look beyond that.

That said, we must recognise that the security situation in Northern Ireland is still very difficult. According to recent reports, dissident republicans tried to attract disgruntled members of the Provisional IRA following the IRA statement. The Continuity IRA remains

"a dangerous organisation which planned to engage in terrorism and other crimes, possibly more than in the recent past."

Then there is the feud between the Loyalist Volunteer Force and the Ulster Volunteer Force. Like my hon. Friend the Member for Aylesbury, I visited the police in Belfast recently. I watched videos showing people dressed in Orange Order sashes taking them off and throwing missiles at the police. That is unacceptable. We condemn that violence; indeed, we condemn violence on both sides of the divide. It cannot continue. While it does continue, however, we need the Bill.

According to the recent Monitoring Commission report, during a period of six months recently there were 69 shootings, more or less evenly balanced between the two sides of the divide. There were 70 paramilitary assaults, and six murders. That too is unacceptable, at a time when there is supposed to be peace in Northern Ireland. We must recognise, however, that we have some way to go before we secure the peace that we all want.

We do not just need statements from the IRA or, indeed, the LVF; we need action. More than anything else, we need a change in hearts and minds. We need people on both sides of the divide to be unwilling to engage in violence to further their political ends. We have needed that change in hearts and minds for a long time, but we will see it only when people in Northern Ireland feel that both sides are being treated fairly—when they perceive that constitutional politicians who seek to advance their arguments by peaceful means are rewarded, and that terrorists are not.

We shall examine one or two aspects of the Bill in more detail in Committee, but for now I wish it well, although I very much regret the need for it.

7.49 pm

The Parliamentary Under-Secretary of State for Northern Ireland (Mr. Shaun Woodward): We have had a good debate and I thank all hon. Members for their contributions. The hon. Member for Aylesbury (Mr. Lidington) covered several substantive points, which other hon. Members expanded. We thank him and his party for their support. He rightly recognises that the measures are exceptional but proportionate, and rightly drew attention to last night's statement from the LVF.

The hon. Member for Lagan Valley (Mr. Donaldson) said that we should thank church and community leaders for the positive pressure that they exerted to help bring about the end of the summer's feud. They have shown exemplary leadership in difficult circumstances.

The Secretary of State said that a fundamental change had occurred in the security situation. The hon. Member for Aylesbury said that he awaited further evidence. So do we. However, let us not underestimate the evidence of the summer—the statement of 28 July and the act of decommissioning. The Bill is a further step in creating an enabling environment. It does not mean that we have arrived at security normalisation, but it is necessary to prepare for such a day. The Bill plays its part in that but, for the present, leaves the special measures in place. It prepares for the future but takes no risks with the security of people in Northern Ireland now.

The hon. Member for Aylesbury asked whether part VII would continue to be needed after August 2008. The Secretary of State set out the position and we are confident that, in the future, that will not be the case. He also asked whether part VII would be needed to deal with the Continuity IRA and the Real IRA in the future. The United Kingdom has some of the strongest and most effective counter-terrorist legislation in the world. We are satisfied that, after the part VII provisions have been repealed, the permanent counter-terrorism powers that apply throughout the UK will be sufficient to deal with any residual threat. However, as my right hon. Friend made clear, we will keep the security situation under constant review and if additional provision is necessary in the future, I have no doubt that he will return to Parliament.

[Mr. Shaun Woodward]

The hon. Members for Montgomeryshire (Lembit Öpik) and for Leeds, North-West (Greg Mulholland) asked whether we would replace Diplock courts with the three-judge courts that Lord Carlile recommended. We remain committed to the ideal of a return to jury trial. Indeed, we intend to go on examining what may be required for paramilitary-type trials, in which jurors could be subject to intimidation. However, we do not want to prejudge the outcome of any considerations by commenting on a specific model.

The hon. Member for Montgomeryshire asked about Lord Carlile's recommendation of moving to the three-judge system of the Republic. I simply remind him of the words of Lord Carlile's 2004 report. He stated:

"The present single judge courts continue to offer a high standard of justice: there is no evidence of any deficit in the quality of single court judges".

The hon. Members for Aylesbury and for Montgomeryshire asked about jury trials. The Government recognise that a serious risk of jury intimidation remains in a small number of cases in Northern Ireland. It would therefore be irresponsible to leave those who participate in court proceedings at risk from those who wish systematically to undermine the administration of justice through intimidation. We are mindful that arrangements need to be put in place to ensure the continuing effectiveness of the criminal justice system. However, I am sure that hon. Members understand that until the detailed, inter-agency work that is now under way has been completed, it would not be appropriate for me to outline specific proposals. There will be opportunities for hon. Members to have that discussion in due course.

Lembit Öpik: The Under-Secretary makes a reasonable point and he is right to be cautious. Will he agree to hold a substantial discussion about the matter in Committee, subject to Lord Carlile's furnishing us with more information in the interim and in advance of the Committee stage?

Mr. Woodward: That will be decided by leave of the Chair, but we would welcome such discussion, not only in Committee but in the future. We want to ensure that all arrangements that we put in place for the criminal justice system in Northern Ireland are robust and appropriate for the future of Northern Ireland and its security system.

The hon. Member for Aylesbury asked about time limits on cases. The option of introducing statutory limits remains open to Ministers. However, the Government have introduced several initiatives recently—for example, the roll-out of the new public prosecution system. He also asked about the security industry and vetting arrangements. We are undertaking a thorough review of the regulatory regime for the private security industry in Northern Ireland. It will focus not only on criminal activity but on good governance, putting in place a comprehensive framework for the future.

The hon. Members for Aylesbury, for Montgomeryshire and for Leeds, North-West asked about section 108. We disagree with Lord Carlile. We believe that the provision continues to have some utility in the current climate. The convictions of Real IRA members in the Irish Republic with the assistance of a similar provision reinforces that view but—a crucial "but"—if an enabling environment is maintained, section 108 will cease to have effect, along with the rest of part VII, on 31 July 2007. The hon. Member for Montgomeryshire asked about the number of cases that involved section 108. Several cases are pending in which it could be used.

My hon. Friend the Member for Glasgow, South (Mr. Harris) made several supportive comments for which we are grateful. Priority is being given to the safety of people throughout Northern Ireland and he is right to emphasise that we are at an historic moment. Decommissioning weapons is not about concessions; it is essential if progress is to be made. I stress that we are making progress in Northern Ireland.

The hon. Member for Montgomeryshire rightly praised his noble Friend Lord Carlile. His reports are exemplary and important in shaping the debate about the legislation. We may not agree with every single word, but we—and, I believe, all hon. Members—are in deep debt to his work.

The hon. Member for Foyle (Mark Durkan) raised several issues, not least intimidation. We are especially worried about the intimidation of witnesses. We need the criminal justice system to work effectively now and in future. We will actively consult to get a system that works best for everybody in Northern Ireland. He and the hon. Member for Belfast, North (Mr. Dodds), who cannot currently be in his place, referred to community restorative justice systems. I said in the House last week that we are aware of concerns about and potential difficulties with the role of those systems. That is why we shall proceed cautiously and issue guidelines on their operation. It is important to remind hon. Members that they are not a substitute for or an alternative to policing. The schemes will deal with low-level cases of criminal behaviour, which have been referred by statutory agencies. The Police Service of Northern Ireland will be informed of all referrals. The schemes are not an alternative, but part of the criminal justice system, in conjunction with the PSNI.

The hon. Member for Foyle asked what would happen to the forum for victims. I remind him of the statement that my right hon. Friend the Secretary of State made only last week about the appointment of the interim commissioner for victims. My right hon. Friend has asked her to

"consider the modalities of establishing a Victims and Survivors Forum."

I add my congratulations to the soon-to-be right hon. Member for North Antrim (Rev. Ian Paisley). In answer to his comments, of course people have a right to state their convictions. He was right to remind the House of the deep feelings that must be reconciled to achieve lasting peace. His memorable depiction of the children whom he has personally comforted at funerals, whose fathers have been cruelly taken away from them, is a reminder to every hon. Member of the responsibilities that we all bear in bringing about lasting peace. He is right that we ask a great deal of people in Northern Ireland in the process, but we do that to deliver the greater deal of lasting peace for them.

The Chairman of the Select Committee on Northern Ireland Affairs, the hon. Member for South Staffordshire (Sir Patrick Cormack) made several

comments about the need for even-handedness. We shall endeavour to ensure that all our work reflects that approach. We are grateful for his characteristic and energetic start as Chairman.

The hon. Member for South-West Norfolk (Mr. Fraser), who is a member of the Select Committee on Northern Ireland Affairs, raised several issues and we look forward to working with him. We are taking all the steps that we can on normalisation. We take full advice on security matters from the Chief Constable and the General Officer Commanding.

Mr. Donaldson: The Minister referred a moment ago to the need for even-handedness and sensitivity. He might not be aware that, tomorrow evening in New York, the National Committee on American Foreign Policy is hosting a dinner at which it plans to give a peace award to Gerry Adams for his work with the IRA. Will the Minister assure me that no representative of Her Majesty's Government will attend that event? Were they to do so, it would demonstrate insensitivity and a lack of even-handedness.

Mr. Woodward: I was unaware of the dinner tomorrow night. I believe that such an issue would be a matter for Capitol Hill and not for this Government. However, if I can ascertain anything more for the hon. Gentleman in the next 24 hours, I will.

I would like to thank the hon. Member for Belfast, North for his support for the Bill, which he described as "sensible". He rightly spoke of the need for caution, as did other Members, including the hon. Member for East Londonderry (Mr. Campbell). We share that need for caution; we do not want to go ahead in a headlong rush. The hon. Member for Belfast, North and I disagree about the interpretation of the speed of the process. However, we do not disagree about the desire to secure peace in Northern Ireland.

The hon. Member for East Londonderry raised a number of other issues, including policing in Northern Ireland. He was right to say that policing was central to the future there. Huge progress has been made, and there is more to be made. I agree with him that there is absolutely no place for paramilitaries to take up a place in the PSNI. That position was also firmly set out by Chris Patten in his report a few years ago.

The hon. Member for South Antrim raised a number of issues, and I listened carefully to his impassioned speech. I respect him deeply, and I respect his sincerely held views, although I do not agree with his every interpretation. However, I certainly share his admiration and concern for the McCartney family. Let us be clear that intimidation and the crimes associated with it have no place in the future of Northern Ireland. That is the case irrespective of the quarter from which the intimidation comes, be it dissident republicans or the criminal behaviour of a small but significant number of so-called loyalists.

The hon. Member for Lagan Valley made a deeply important speech, particularly referring to the Royal Irish Regiment. We should all recognise that the settlement that I believe and hope we shall be able to announce in conjunction with the Ministry of Defence in the months to come will owe a great deal to the hon. Gentleman's relentless work on the regiment's behalf.

A number of issues have been raised in this debate. One that I have not yet referred to concerns the on-the-runs legislation that my right hon. Friend the Secretary of State will bring to the House at a later stage. On that, let me say simply one thing. A number of hon. Members have suggested that it might be a form of amnesty. That legislation will in no shape or form be an amnesty.

We have to look ahead. The Government are mindful of their responsibilities for the future, but also for the present. The UK has some of the strongest and most effective counter-terrorism legislation in the world. That permanent framework protects the public against all forms of terrorism. It applies, and will continue to apply, equally to Northern Ireland and to the rest of the UK. In contrast, the part VII provisions remain a necessary and proportionate response to the particular security situation that has existed in Northern Ireland for more than 30 years.

As the Secretary of State made clear when he opened this debate, there have been significant and historic developments in the past few months. These give rise to a realistic expectation that, within two years, a return to a normalised security environment might be achieved. At such a stage, the rationale for special security provisions for Northern Ireland would disappear. The Bill enables them to be repealed. However, we are not yet at that point. The initial signs are promising, but the Government will not take risks with the safety of the people of Northern Ireland. It is therefore prudent to retain the part VII provisions until security normalisation has been realised. The Bill allows for that, and I commend it to the House.

Question put and agreed to.

Bill read a Second time.

TERRORISM (NORTHERN IRELAND) BILL (PROGRAMME)

Motion made, and Question put forthwith, pursuant to Standing Order No. 83A (6) (Programme motions),

That the following provisions shall apply to the Terrorism (Northern Ireland) Bill:

Committal

1. The Bill shall be committed to a Standing Committee.

Proceedings in Standing Committee

2. Proceedings in the Standing Committee shall (so far as not previously concluded) be brought to a conclusion on Thursday 10th November 2005.

3. The Standing Committee shall have leave to sit twice on the first day on which it meets.

Consideration and Third Reading

4. Proceedings on consideration shall (so far as not previously concluded) be brought to a conclusion one hour before the moment of interruption on the day on which those proceedings are commenced.

5. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on that day.

6. Standing Order No. 83B (Programming committees) shall not apply to proceedings on consideration and Third Reading.

Other proceedings

7. Any other proceedings on the Bill (including any proceedings on consideration of Lords Amendments or on any further messages from the Lords) may be programmed. —*[Mr. Heppell.]*

Question agreed to.

DELEGATED LEGISLATION

Weights and Measures

Motion made, and Question put forthwith, pursuant to Standing Order No. 118 (6) (Standing Committees on Delegated Legislation),

That the draft Weights and Measures (Miscellaneous Foods) (Amendment) Order 2005, which was laid before this House on 21st July, be approved.—*[Mr. Heppell.]*

Question agreed to.

Ordered,

Delegated Legislation

That the Accession (Immigration and Worker Registration) (Amendment)Regulations 2005 (S.I., 2005, No. 2400), dated 24th August 2005 and the Tryptophan in Food (England) Regulations 2005, (S.I., 2005, No. 2630), dated 21st September 2005 be referred to Standing Committees on Delegated Legislation.— *[Mr. Heppell.]*

NORTHERN IRELAND GRAND COMMITTEE

Motion made, and Question put forthwith, pursuant to Standing Order No.116 (Northern Ireland Grand Committee (sittings)),

That—

(1) (a) the matter of the Draft Priorities and Budget 2006–2008, being a matter relating exclusively to Northern Ireland, and

(b) the proposal for the draft Rates (Capital Values etc.) (Northern Ireland)

Order 2005, be referred to the Northern Ireland Grand Committee;

(2) the Committee shall meet at Westminster on Tuesday 15th November at half-past Two o'clock; and

(3) at that sitting—

(a) the Committee shall take questions under Standing Order No. 110 (Northern Ireland Grand Committee (questions for oral answer)), and shall then consider the matter and the legislative proposal referred to it under paragraph (1) above;

(b) the Chairman shall interrupt proceedings not later than two and a half hours after the commencement of proceedings on the matter referred to the Committee; and

(c) at the conclusion of those proceedings, a motion for the adjournment of the Committee may be made by a Minister of the Crown, pursuant to paragraph (5) of Standing Order No. 116 (Northern Ireland Grand Committee (sittings)).—*[Mr. Heppell.]*

Question agreed to.

HEALTH

Ordered,

That John Austin be discharged from the Health Committee and Mr Ronnie Campbell be added.—*[Rosemary McKenna, on behalf of the Committee of Selection.]*

PETITION

Council Tax

8.5 pm

Rob Marris (Wolverhampton, South-West) (Lab): I present a petition that is one of a series instigated by the Isitfair campaign on council tax. Mr. Donald Morris of Wolverhampton has worked tirelessly to collect the signatures for it, and it has been signed by 1,416 people in Wolverhampton, South-West.

The Petitioners declare:

Year on year, the above-inflation increases in Council Tax are causing hardship to many and take no account of ability to pay. They further declare that the proposed property revaluation and rebanding exercise will make an already flawed system even worse. The Petitioners request that the House vote to replace the council tax with a fair and equitable tax that, without recourse to any supplementary benefit, takes into account ability to pay from disposable income, such a tax to be based on a system that is free from any geographically or politically motivated discrimination, and that clearly identifies the fiscal and managerial responsibilities of all involved parties.

And the Petitioners remain, etc.

To lie upon the Table.

Health Services (West Norfolk)

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Heppell.]*

8.7 pm

Mr. Henry Bellingham (North-West Norfolk) (Con): I thank Mr. Speaker for allowing me this Adjournment debate.

I want to focus on the Queen Elizabeth hospital in my constituency, and on the West Norfolk primary care trust, and to examine the underfunding of the PCT and the accumulated debt of the hospital, which currently stands at £11 million. I shall also consider the penal usage charge that is being applied to the deficit, which is no more than a fine or penalty. Last July, the chairman and the chief executive of the Queen Elizabeth hospital trust resigned because of the funding problems the trust was facing. That led to what can only be described as a very serious situation.

I shall start by outlining the wider background to this case. As I have time to do so, I shall go into a little more detail than I would otherwise have done. I returned to the House in 2001 and one of my immediate observations was that I was getting many more letters about the NHS than I did when I was an MP in a previous incarnation up to 1997. That was partly because the expectations of my constituents have been raised, especially by the Government going on and on about all the extra money that is going into the NHS. People are more demanding now and expect higher standards. The majority of the complaints are not against staff but against the system and the administration of the NHS.

All MPs have heard their fair share of local NHS stories, but nothing gives rise to greater anger than cancelled operations. I have here a letter from a constituent and I am afraid that it is by no means unique. This constituent was diagnosed with kidney stones on his right and left sides on 20 February 2004. He had to wait until 10 May for a hospital appointment with a consultant. He then had an operation planned for 24 May 2005, nearly a year later. That operation was cancelled and postponed until 27 May, then cancelled and postponed until 3 June, then cancelled and postponed until 23 June, and then cancelled again. There are many reasons why those operations were cancelled, but my constituent's sense of anger and betrayal must be seen to be believed. To understand it properly, one must examine the correspondence. I am afraid that that case, which I mention because it is probably the worst of the pile of local NHS cases that I currently have, is by no means unique. There have been many other similar ones. It is not necessarily the fault of the staff but of the system breaking down.

What is happening? The money that the Government are putting into the local NHS is simply not getting through to patient care. I had a long talk with a well-known local consultant earlier today. He said:

> "There are now endless layers of management, monitoring our activities and then counting this activity against Government targets. All the time the clinical coalface is being squeezed."

He went on to say that if the extra money going into the NHS actually got through to patient care, we really would have a first-class local NHS. As the Minister will be aware, that is borne out by the recent National Audit Office report, which concluded that productivity in the NHS across the country

> "has declined by 1 per cent. every year since 1997."

It continued:

> "managers have been recruited at three times the rate of clinical staff".

That is staggering. According to a recent article in *The Daily Telegraph* that I dug out, the increase in salaries for bureaucrats in the NHS equals the sum of NHS deficits.

Another cause of some of the problems in my local health service is the primary care trust structure, which does not help at all. As my hon. Friends who represent Norfolk know, we had a Norfolk health authority until about eight years ago, which has been replaced by a large number of local PCTs that are inherently bureaucratic and top-heavy on management, hugely duplicate management layers and are expensive. To the Government's credit, they have belatedly seen the light and are effectively going back to the old system, with one PCT for Norfolk. Let us consider the waste and accumulated extra costs of those eight years and the inevitable destruction as the PCT system is overhauled, streamlined and reformed.

I want to consider the historic underfunding of the health service in west Norfolk. The Queen Elizabeth hospital has fallen behind the other Norfolk hospital trusts. Over the past four years, the average annual compound growth rate for the Norfolk and Norwich university hospital has been 13.2 per cent., that for James Paget, a similarly sized hospital trust covering the eastern end of the county, has been 10.7 per cent., and that for the Queen Elizabeth hospital has been 7.4 per cent.

There is no question but that the pressures in west Norfolk have been exacerbated by a big increase in the population of over-65s—a 23 per cent. increase over the past eight years—who, of course, have more complex medical conditions. There is also a growing population in west Norfolk. In 1997, the population of west Norfolk, which covers the whole of my constituency and a lot of the constituency of my hon. Friend the Member for South-West Norfolk (Mr. Fraser), as defined by the NHS guidelines, was 205,000. In 2005, that had increased to 222,000. Furthermore, in 1997, emergency admissions to the Queen Elizabeth hospital were 3,700, whereas in 2005, that figure is predicted to be 8,700. Of course, there are more cars on the roads and more accidents as a consequence. There is also a failure of primary care, with many of my constituents gong to accident and emergency rather than having their problems sorted out in a local surgery.

The Queen Elizabeth hospital, however, is doing what it does best: treating patients, many more of them, and providing high standards of health care. But because it is treating more patients and achieving better throughput than ever before, it has a debt of £11 million, the consequences of which I will consider in more detail.

The West Norfolk primary care trust has been seriously underfunded for a number of years. This year, it is receiving £15 million less than the target set by the Department of Health's Advisory Committee on Resource Allocation. Even though the Minister, Lord Warner, has promised in a letter that future

[Mr. Henry Bellingham]

increases will be above the national norm, that will still leave the PCT with a deficit of £7.3 million for 2008. I ask the Minister to comment on what his ministerial colleague, Lord Warner, has said, as he will have plenty of time to do so in his wind-up.

Let us examine the consequences of that deficit. First, we had the resignations of the chairman and chief executive of the trust in July. I do not know whether having the two key guys resigning is unique, but they were under real pressure, felt completely boxed in by the funding crisis and believed that they had to stand down. It was highly regrettable that they did, because in some ways it made matters worse On the other hand, we now have a clean slate to move forward.

There have been ward closures. As the Minister will know, because obviously, he has done his homework, the Elm and Denver wards—both surgery wards—have been amalgamated, and the West Dereham and West Newton wards, both of which were involved with the care of the elderly, have been merged. We have lost 57 beds, and the Queen Elizabeth hospital's beds per thousand of population ratio was already one of the lowest in the region. There have been no redundancies, but there will be a freeze on recruitment, and there is bound to be an effect on patient care.

I am sure that the management of the hospital, to whom I spoke this morning, and the Minister will say that the impact on patient care will be minimal. Closing 57 beds, however, is not good news. The consultants to whom I have spoken are very concerned. They tell me that it will inevitably mean shorter stays, more pressure on patients and staff, a possible dilution of nursing care, and possibly even an impact on waiting lists. In addition, the Arthur Levin day surgery unit will be forced to close for six weeks, adding to pressure on patients. The funding of replacement equipment and repairs to equipment will also be on a very tight budget.

How do the Government react to all that? A number of letters have come through to me, including one from Lord Warner, who explained in some detail about what was going on and the PCT allocations. He admits that the Department of Health's Advisory Committee on Resource Allocation predicts that the West Norfolk PCT will still be 3.5 per cent., or more than £7 million under target by 2007–08, but what impact will the reorganisation of the PCTs have on that prediction? The noble Lord went on to say that all is under control, because more is going into the health service. It is the usual story—more and more money is going in, so we should not be complaining and there should not be problems.

I wrote to the Prime Minister. He does not always reply to Back Benchers who are not Privy Councillors. He does not necessarily always reply to people who have had a spat with him at Prime Minister's questions, as I have, but to be fair to him he wrote me a very nice letter, which began "Dear Henry" and ended "yours, Tony" and which I appreciated. Again, I had the standard line about how much more money is going into the health service and how the position overall is very bright. He also said that the changes taking place locally "will mean that the management will need to make tough decisions but, I am sure you will agree, the provision of high-quality healthcare, which meets the needs of local population, will at no stage be compromised."

That could be wishful thinking if one looks at what the consultants are saying. Exactly the same tone of letter came from the Minister of State, the hon. Member for Doncaster, Central (Ms Winterton).

Of course I am grateful to Ministers for coming back to me and telling me what is going on. I appreciate that no Minister wants dissatisfied MPs on their own Benches or on the Opposition Benches. Ministers want to do their level best to get all this right. However, the Minister who will reply to the debate must appreciate that we must do our best for our constituents.

One reaction from this Government has upset me deeply. Far from writing off the debt, which, as I have illustrated, is no fault of the hospital or its staff, the Government have imposed the usage charge. I am concerned about that. The Government have said that, by March next year, the deficit of the hospital will be £11 million. They are imposing a usage fee on that of 10 per cent., making a total of £1.1 million. They are adding another £500,000, so the total amount is £1.6 million. The hospital will also have to pay 10 per cent. interest if it borrows any money. That seems completely ridiculous. It is unfair. In fact, it is penal.

If the hospital went to a high street bank as a thoroughly reputable, solid organisation, it would surely secure a commercial lending rate of perhaps 1 or 2 per cent. over base. It could go into the eurobond market and borrow at under 4 per cent. but the Government say that, if it borrows money from HMG, it has to pay 10 per cent. interest and it cannot borrow from anyone else. Furthermore, if it has a deficit, it has to pay the 10 per cent. usage charge.

Is there a hidden agenda to penalise some NHS unit and trusts? Is there a hidden agenda even to make some of them fail completely? Surely that is the logical conclusion of that system. I hope that the Minister will answer those points.

As for morale at the hospital, the situation is altogether different. Although precarious, the situation is looking more robust than might otherwise be expected. The staff at the hospital are working very hard in extremely difficult circumstances. I praise them for all they have done to keep everything going and to keep the whole system moving forward. I also praise their professionalism. The hospital has met its access targets, particularly on A and E and outpatients. It has a recovery plan in place, which I am sure the Minister will tell us about, up to March 2008, but there is a feeling of uncertainty. Every successful organisation needs to recruit new people. It needs a flow of new ideas. One of my concerns with the freeze on recruitment that I mentioned is on the nursing front.

I have a selection of letters here from constituents. I have received a number of letters in the past few weeks. One mature student nurse said:

"I am becoming increasingly concerned regarding the prospect of finding employment as a newly qualified nurse at this hospital."

I received an e-mail saying:

"My job is to educate students wishing to undertake a career in the Nursing Profession. We have a cohort of students that are just about to qualify and have been told by the clinical staff that they will probably not be offered jobs. Many of these students are mature, with families and are settled in the area, so would find it difficult to either move or to travel long distances to work."

Another e-mail from a constituent of my hon. Friend the Member for South-West Norfolk said:

> "I am currently a student nurse at the hospital due to qualify in the next few weeks, and am more than a bit concerned at the situation I may be facing due to the hospital's financial decision to make cut backs. At the present it is very uncertain if the hospital will be able to offer myself and my colleagues any hope of there being any vacancies for us."

As I said, new blood is essential for any organisation to rejuvenate and to build morale. I am concerned about that. I am concerned about retention, too. If morale is good, one can innovate and modernise.

Morale has been good up to now. That is why a lot has been achieved on the modernisation programme. I do not want to be negative because the staff at the hospital keep writing to me, telling me and telephoning me to say that a lot is going on with paramedics' extended roles, the spinal clinic and the hip and knee clinic, and that the pre-admission clinics are going well. A lot is happening on the diabetic and community nurses link, on the haematology front and with the new critical care system, which won a national award. A lot is happening on the digital radiology front. I could go on.

The staff have done a great deal in engaging charities. For the day surgery unit, £3.4 million was raised. For the resonance imaging scanner, £750,000 was raised. The Macmillan unit raised £500,000. The paediatric day centre raised £500,000. Those initiatives require engagement, high morale and motivation. They require a sense of belief in the mission and in the future. I am concerned that all that could come unstuck unless something is done.

Does the Minister recognise how precarious the situation is? Does he agree that the Queen Elizabeth hospital and west Norfolk have been underfunded? Does he agree that there is a structural problem at the heart of the funding mechanism that fails to recognise all the key factors in west Norfolk? Is there any chance of the Minister writing off some of this debt? If not, will he look again at the usage charge, which is wholly iniquitous? All it will do is make a bad situation worse. It is penalising staff who are giving their all to try to retrieve the situation and working professionally with dedication and motivation. If the usage charge is not reviewed urgently, anger and resentment will grow.

As a consultant said, the hospital's

> "so-called debt and the usage charge is an unjust millstone that threatens the equity of health care in west Norfolk."

Those words were well chosen. He did not say that it will be a disaster because he knows and trusts the staff at the hospital, who live in my constituency, that of my hon. Friend the Member for South-West Norfolk and that of the hon. Member for North Norfolk (Norman Lamb). The consultant knows how dedicated staff are, but they feel let down. There is an opportunity now for the Minister to tell us what he can do, to show that he has listened to their concerns and to give us some good news.

8.29 pm

Norman Lamb (North Norfolk) (LD): First, I congratulate the hon. Member for North-West Norfolk (Mr. Bellingham) on securing this debate and thank him for inviting other Norfolk hon. Members to contribute to it. The debate has more force if the message comes from across the parties and I welcome the approach that he has taken.

I endorse all that the hon. Gentleman said about the importance of tackling this problem head on. He has done a lot of work in representing the interests of users of the hospital and I pay tribute to him for that. He spoke about staff morale and it is worth making the point that in an organisation faced with large deficits and change at the top—with the chairman and chief executive leaving in June this year—it is difficult for staff to keep their morale up and to maintain standards of professionalism. Clearly, they have done that and they need to be applauded.

Despite the difficult circumstances, they have managed to achieve their out-patient waiting time target three months ahead of schedule and they are either at or close to hitting accident and emergency waiting time targets and should be congratulated.

The hon. Gentleman talked about the loss of 57 beds, which is bound to have an impact on patient care. One can look in cold terms at the average stay at the hospital and compare it with others around the country. But if, on an emergency basis, we attempt to cut the number of beds as quickly as the hospital has to do, there is bound to be an impact. The Minister would be wise to acknowledge that that adverse impact is likely to occur. If we lose beds at the current rate, the inevitable consequence, described by the hon. Gentleman, is the cancellation of operations, resulting in a lot of personal anguish for the patient and their family.

There is also a wider impact. The hon. Gentleman and I have campaigned on behalf of Wells hospital, which is in the west of my constituency, close to the border with the hon. Gentleman's constituency. This small cottage hospital closed temporarily in December last year. It is still closed, at least in part because both the local primary care trusts, which both contributed financially to the operation of the hospital, are financially strapped. Inevitably, in trying to get their recovery plans delivered, they face an impossible task when the demand of the local community, rightly, is that that hospital be reopened.

The loss of those intermediate beds has an impact in my area and that of the hon. Gentleman. When combined with the loss of 57 beds, including beds for the elderly at the Queen Elizabeth hospital, the overall impact is severe. Wells hospital covers a rural area that is not well served by public transport. It primarily serves an elderly population and patients and relatives will now have to travel much longer distances without the benefit of good public transport. The local community is working towards establishing a charitable trust to reopen and run the hospital. I have spoken to Lord Warner about this proposal.

I urge the Minister to do whatever he can to facilitate the much-needed reopening of Wells hospital. Over the years, it has benefited enormously from a very strong local commitment. Inevitably, local people are prepared to raise funds for a small local hospital, and as a result of such efforts, extra money goes into the local health service. When such a hospital is closed down, that local contribution to health services comes to an end. We do not always think about such consequences of the loss of local hospitals, and the Government should take them

[Norman Lamb]

seriously into account. Wells is a much-loved hospital and we need it back again. Anything that the Minister can do to facilitate that would be enormously appreciated by the local community.

I want to say a word or two about the reorganisation of PCTs, to which the hon. Gentleman referred. The Minister himself is not to blame because he was not in post at the time, but anyone looking in from the outside and watching a Government establish PCTs, only to abolish them two years later and set up a new structure, would think that the whole system had gone completely crazy. One can only imagine the amount of money involved in two successive reorganisations. It is acknowledged that the Government have pumped a lot of extra money into the health service, but when people ask, "Where has all the money gone?", it should be pointed out that reorganisations take their share. Effectively, that is money down the drain. The sooner that we can achieve a stable and permanent structure without further reorganisations, the better.

I turn to the usage charge, to which the hon. Gentleman also referred. I entirely understand the importance of financial discipline. A system has to be put in place to ensure that those running local hospital trusts understand that spending beyond their means has consequences. We have new management in place and a recovery plan that has been agreed with the Government, but the Government have imposed an extra fine. On top of what is already a desperate situation, it is ludicrous to have to cope with an extra £1.6 million in loss of funds. I urge the Minister genuinely to look again at the usage charge.

The hon. Gentleman is absolutely right: the deficit faced is bad enough. He and I know from representing our communities that our part of the country, which has a low-wage economy and is very rural, has received less than its fair share of health service funding. Insufficient account has been taken of the ageing population in our county. My constituency has one of the oldest age profiles in the country, and providing health services to such a population is expensive. One cannot simply point the finger of blame at local management and say, "It's your fault." We need to look at why the deficit has grown to the extent that it has. Once an historical deficit has been acquired, it is impossible to clear it without impacting on patient services. It is incumbent on the Government to look again at this issue genuinely and sincerely, because the impact on the people whom we collectively serve could be very serious.

I again congratulate the hon. Gentleman on securing what is a very important debate. I hope that the Minister will listen and respond constructively, so that we can get through this very difficult situation and give our constituents quality health services with stable funding.

8.39 pm

Mr. Christopher Fraser (South-West Norfolk) (Con): May I too, compliment my hon. Friend and neighbour the Member for North-West Norfolk (Mr. Bellingham) on securing this debate? It comes at a time when health care provision in Norfolk is in crisis. We cannot forget that when constituents contact us about such issues, they are doing so in their hour of need. On those occasions when we need to go to hospital or to the doctor, we need to know that the service will be adequate, well provided for and funded correctly, so that we can receive the treatment that we deserve.

May I draw the Minister's attention to my recent correspondence with the well-respected Swaffham and district pensioners association, which is concerned about the inevitable pressure on beds at the Queen Elizabeth hospital, which serves my constituency? As the hon. Member for North Norfolk (Norman Lamb) said, we should not view such problems in isolation, because hospitals and health services in the area serve a large rural community. People are not well off and they suffer in many ways. How do they travel to the hospital or the doctors, and how do they secure the service that they want? We have drawn that issue to the Government's attention in the past. When people arrive at hospital, they should be confident that it is well funded and well maintained. As my hon. Friend the Member for North-West Norfolk said, people who work in the health service in Norfolk are unsung heroes who work jolly hard in difficult circumstances. It is our duty as their parliamentary representatives to make that point, because when times are hard the tough get going, even though that is not always acknowledged by the press and the media. I therefore hope that the Government will take my hon. Friend's observations into account.

The Swaffham and district pensioners association would like an assurance that plans are in place to deal with

"a crisis waiting to happen".

I hope that the Minister can alleviate their concerns. May I also draw his attention to the problem of cutbacks in hospitals in my constituency? At Thetford cottage hospital some clinical services have been withdrawn, and five wards are currently closed. Local people and staff are concerned about the prospect of further cuts, so I hope that the Minister can provide an assurance that they will not be made. There is a great deal of concern about the availability of beds for the long-term elderly sick at Swaffham community hospital. It was full in July, which does not bode well for availability in the winter months when demand could reach a peak. The weather is not as bad as it could be at this time year, but a harsh winter is predicted. Many elderly and vulnerable people in my constituency are worried about the provision of health care, and it is in their hour of need that we ask for an assurance so that everyone in Norfolk who is entitled to use the services that my colleagues and I have raised can go to bed comforted in the knowledge that the Government will ensure that there is proper provision and financing of health care in Norfolk now and in future.

8.43 pm

The Parliamentary Under-Secretary of State for Health (Mr. Liam Byrne): May I congratulate the hon. Member for North-West Norfolk (Mr. Bellingham) on securing this Adjournment debate on health services in and around his constituency? He takes a keen interest in health matters in Norfolk, and has recently raised health services in his constituency in parliamentary correspondence, to which the Minister of State, my hon. Friend the Member for Doncaster, Central

(Ms Winterton), has already replied. He raised the issue with the Prime Minister, and we debated the financial deficit at the Queen Elizabeth hospital at Health questions last Tuesday. I welcome his balanced view of progress and matters that need to be addressed, and I hope that I can address almost all his concerns this evening along with those expressed by the hon. Members for North Norfolk (Norman Lamb) and for South-West Norfolk (Mr. Fraser). If I fail to do so adequately, I hope that they will allow me to write to them to fill in the gaps.

I very much welcome the credit that the hon. Gentlemen gave front-line national health service staff who work in and around their constituencies. They are right that they make the world of difference for many people. Indeed, in some cases, it is literally the difference between life and death. Before I turn to the crucial matters raised this evening. I should be grateful if the House permitted me to set the scene.

The hon. Member for North-West Norfolk said that the Government bang on about the additional resources that have gone into the NHS, but we do so because we are very proud of them and the scale of the increase bears a little repetition. Funding of the NHS has increased from £35 billion in 1997–98 to nearly £70 billion in 2004–05, and is set to increase to £92 billion. That is an increase of enormous magnitude. Indeed, if the NHS were a national economy, it would be the 33rd largest in the world and about the size of Portugal. The extra money has brought extra staff, shorter waiting times and enormous advances against big killer diseases. The number of consultants is up by nearly 9,500. The number of registrar group doctors is up by 2,200 on last year alone. The number of GPs has increased by more than 4,000 since 1997. There are more qualified nurses working in the NHS than ever before—an increase of nearly 80,000 since 1997.

As a result, NHS waiting times have fallen massively. The number of people waiting more than 13 weeks for an out-patient appointment has fallen from an enormous and scandalous 340,000 in 1997 to just 35,000 in June last year. In-patient waiting times are also showing enormous improvements. The number of people receiving treatment in hospital has increased by 750,000 to more than 5.5 million and the total number of people waiting has fallen by a quarter.

The result is that lives have been saved. The cancer mortality rate in England has fallen by some 12 per cent. since 1995–97. Mortality for circulatory disease in England has fallen by a massive 27 per cent. But this debate is about the future, not the past. Our stance on health care in Norfolk is shaped by our ambition to cut the waiting times from the scandal of a year and a half that we inherited in 1997 to eighteen weeks. That is no empty promise, because it is backed by resources.

Hon. Members talked about funding and the distance from target in their constituencies. In 1997, there were enormous gaps between actual funding and the correct level. In February this year, my right hon. Friend the Secretary of State did an enormous amount to correct that. For the latest allocations round for PCTs, covering the next two years to 2007–08, we have decided to move PCTs more quickly towards their fair share of funds. In 2003–04, some PCTs were as much as 22 per cent. under target. By more aggressively accelerating the funding of those furthest away from target, we will change that over the next few years. In fact, by 2007–08, no PCT will be more than 3.5 per cent. below its fair share.

Hon. Members will, I am sure, admit that such increases have significant effects for Norfolk. For example, North Norfolk PCT will receive an allocation of £143 million—a cash increase of nearly £25 million or 20 per cent. over the next two years. West Norfolk PCT will receive substantial additional funding, representing cash increases of nearly £44 million or more than 25 per cent. over the next two years. That will leave the West Norfolk PCT about 3.5 per cent. under target, but that is a substantial correction to the wild extremes of 1997.

The increases will mean big changes on the ground in Norfolk. The PCTs recently approved the outline case for Cromer hospital, which will see it become the best equipped local hospital serving a rural area. Intermediate care strategies will mean that care is provided closer to home.

Norman Lamb: The Minister rightly points to the approval in principle at strategic health authority level for Cromer hospital. That is extremely good news. However, there is a concern that because the strategic health authority contributes more than its fair share to the total deficit of the NHS, the whole project could be threatened by the financial situation. Will the Minister give an assurance that that will not happen? As he says, it is an exciting project and it must proceed.

Mr. Byrne: I hope that I can give the hon. Gentleman an even better reassurance. Funding for his local SHA will rise by about £700 million over the next two or three years, so in the context of a clear manifesto ambition to deliver services that are much more in line with local community needs, taking local community views much more closely into account and, above all, cutting waiting times to just 18 weeks, ambition and money together are the best assurance I can give.

The hon. Member for North-West Norfolk mentioned many unacceptable cases of poor NHS treatment for his constituents. I hope that he would agree that they are, by and large, the exception. The latest figures show that death rates from coronary heart disease and cancer in north Norfolk have fallen by about 20 per cent. and just over 3 per cent. respectively since 1997. That is in no small part due to the extra 5,000 nurses, 827 doctors and 256 GPs across the SHA area. Investment is being made to develop local health services and build new facilities where they are needed. Those initiatives are already delivering real benefits to patients.

The hon. Gentleman mentioned red tape, but I am sure that he would accept that management costs are lower as a percentage of NHS spending than in 1997. Managers are needed in the health service. The NHS treats 1 million people every 36 hours and is required to prepare for every contingency, from the possibility of pandemic flu to the London bombings in July, so it needs good planners and good managers. Sometimes, we do not give them the credit they deserve.

Mr. Bellingham: I do not want to get into a long debate about management and bureaucracy, but as there is to be a reorganisation of PCTs in Norfolk does

[Mr. Bellingham]

the Minister accept that there is significant duplication of management in PCTs that cover quite small areas? For example, in my area there are finance managers, communications directors and other people doing management jobs, while just over the border in the constituency of my hon. Friend the Member for South-West Norfolk there is duplication of many of those aspects of management. That must be improved, but what will be the impact of that reorganisation on the funding targets that the Minister has just set out?

Mr. Byrne: The hon. Gentleman makes an extremely important point. Our manifesto was clear not just about the need to keep a tight handle on bureaucratic costs; we set a clear target of cutting £250 million-worth of administrative costs to put back into front-line care. The more important issue is how we ensure that local PCTs are the strongest possible commissioners of health services on behalf of their local communities. We will not be a country where waiting times for medical treatment are only 18 weeks unless there is strong local commissioning. I think that the hon. Gentleman was involved in consultation about the proposed reorganisation of his local PCT. I understand that proposals are now with the Department and I hope that he will stay involved in the debate as it unfolds.

The hon. Member for North Norfolk talked of the need for a stable structure. I second that.

It is against the background that I have set out that we must view the situation at Queen Elizabeth hospital, with which I want to deal in a little more detail. As hon. Members know, the reported deficit was £3.1 million in 2004–05 and it is forecast to rise to £11 million at the end of the current financial year. That deficit exists not because the Government have under-invested in health care services, but because each year for several years the trust has reported a small overspend yet failed to tackle the issue head-on. The broader strategic point I want to make to the House is that as we are about to pump another £22 billion into the NHS we must have health managers who are able to balance the books.

Norman Lamb: Is there not something of a contradiction in what the Minister says? He has already conceded that the area has not had its fair share of funding and that the Government intend to bridge that gap, yet he is now saying that that deficit is not the Government's fault. Surely there is a connection between the two.

Mr. Byrne: I am grateful to the hon. Gentleman for that intervention because we must separate two points: the total money available in the local health economy and the efficacy of the management of local hospital organisations. Sometimes, those two things are not exactly the same, as I hope to underline in the following remarks.

A range of measures show that it is possible to pay back the deficit without having an impact on quality care. In passing, I would tell Swaffham and district pensioners association that plans are in place to ensure that quality care not only continues at its current level but continues to improve.

Queen Elizabeth hospital management have now introduced a number of commonsense measures to meet their financial targets for this year. The hon. Member for North-West Norfolk mentioned changes to some of the wards. Patients discharged from Dereham ward, as part of a service reconfiguration, are now successfully cared for by far closer partnership working with other agencies, such as social services. There have been no readmissions of those patients, who are now cared for in a far more appropriate way. The hospital has achieved more than £2 million in savings this year from initiatives such as better bed management and discharge processes that lead to a reduction in the number of bed days. It has opened a new operations room to monitor bed management and emergency care that is linked to other rehabilitation and community beds and the East Anglian ambulance trust network, so patients receive far more appropriate care and the discharge process is much faster.

The whole discharge process has been reviewed. Significant work has been undertaken, with the aim of taking inefficiencies out of the current process and reducing the lengths of stay where it is safe to do so. The hon. Members who have taken part in the debate will know that, when compared with other hospitals in the region, elective lengths of stay are about half a day longer and that non-elective stays are about one and a half to two days longer. Of course that will be influenced by the higher than national average proportion of older people in their constituencies, but the number of bed days is greater none the less. In fact, a detailed investigation across all specialties has been produced recently that identifies a number of initiatives that can safely reduce the number of bed days required to almost 20,000 per annum.

On further reducing the rate of sickness, last year sickness cost the trust about £4.5 million, and there is a continuation of existing initiatives to reduce that. Out-patient follow-ups still require attention. Changing practices surrounding follow-ups to reduce out-patient attendances is important because rates of follow-ups for new appointments are higher than average. The introduction of digital imaging will help to save money. At the moment, the trust spends almost £250,000 on film for X-rays. Distributing X-rays electronically will save money. Savings are possible in respect of operations on acute wards because lengths of stay will reduce as a result of more appropriate discharge activities. Finally—although this is not the entire list—payment by results, which is an important reform designed to build on the changes already in place, will help Queen Elizabeth hospital because its reference costs are good.

The hon. Member for North Norfolk mentioned Wells hospital and intermediate beds. If he will permit me, I will look into that because I do not have chapter and verse in front of me. In the meantime, I can tell him that the forthcoming White Paper on primary care will put a much stronger emphasis on care closer to home and very much recognise that such things are often important sources of local pride.

Before I conclude my remarks, I want to deal head-on with the charge that has been levied. Gone are the days when we can simply write off debt. The Department of Health has ensured that there is a great deal of time to allow the trust—in conjunction with the NHS bank and, ultimately, with the Department—to agree a plan to

manage the cash position for the remainder of the year. The fact is that similar agreements must be reached with other parts of the NHS because solutions to cash problems in local trusts can be managed only by securing cash underspends in other organisations. Overspending must be matched by underspends elsewhere in the NHS. The arrangements we are discussing are intended to provide a strong incentive for the NHS to avoid deficits. The rules have been in place for several years and NHS trusts are well aware of the consequences of running up a deficit.

The administrative device in question is called the surplus incentive scheme. It was introduced in September 2005 and is managed by the NHS bank. Arrangements with NHS trusts or primary care trusts are for individual strategic health authorities to manage. The hon. Member for North-West Norfolk was an adviser to business in a former life, so he understands the concept of the cost of capital well and will, I suspect, have advised people on it. I disagree with his analysis that the rate charged is penal. He will know that the cost of lending reflects the cost of capital, and in this case the charge reflects the cost of capital from within the system. A new management team can rarely quite wipe a slate clean and nor should it be allowed to wipe a balance sheet. A team should be given time to make good a situation that it has been hired to fix, which is why the trust has been given until 2007 to repay the specific part of the deficit.

Norman Lamb: Will the Minister indicate whether the rate of charge is the same in all such circumstances, or whether there is discretion? In other words, would it have been possible for the strategic health authority to have approved a lower rate than that which was imposed?

Mr. Byrne: The hon. Gentleman raises an extremely important point. If I may, I will look into it to ensure that he gets a full reply. I understand that his question is significant locally.

The Government believe that with the level of investment going into the national health service, all NHS bodies should be able to plan for and achieve financial balance each and every year. The NHS is a big organisation and although it has been said that bringing its budget in on balance is the equivalent of landing a jumbo jet on a postage stamp, three quarters of trusts are able to do so, and we expect all trusts to be able to do so.

Mr. Fraser: Will the Minister address directly the issues that I raised regarding Thetford cottage hospital and Swaffham community hospital by way of communication to me after the debate?

Mr. Byrne: I am grateful to the hon. Gentleman for reminding me of those points. I will indeed write to him about both matters, which are important locally. I understand that a community facility recently opened in Swaffham, so I realise that he asks an important question at a time when investment is going into the front line.

Our policy is clear: advances to cut waiting times and advances in clinical excellence in care that are put in reach of not just a privileged few, but every community in this country, and that are free at the point of need for everyone who needs them.

Question put and agreed to.

Adjourned accordingly at three minutes past Nine o'clock.

House of Commons

Tuesday 1 November 2005

The House met at half-past Two o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

FOREIGN AND COMMONWEALTH AFFAIRS

The Secretary of State was asked—

EU Rebate

1. **Daniel Kawczynski** (Shrewsbury and Atcham) (Con): If he will make a statement on the Government's position in the budget negotiations on the United Kingdom's rebate from the European Union. [23241]

The Secretary of State for Foreign and Commonwealth Affairs (Mr. Jack Straw): We are committed to working for a deal at the December European Council. Our position on the abatement remains as set out by my right hon. Friend the Prime Minister in this House on 20 June.

Daniel Kawczynski: I thank the Secretary of State for that answer. Does he agree that securing the rebate was a tremendous achievement by Mrs. Thatcher and that it would be incorrect to give it up, as certain Cabinet members have suggested in the press, while fraud accounts for between 7 and 10 per cent. of the EU budget? Does he agree that if we gave up the rebate, every penny piece, which should go to our schools and hospitals, would go on fraud in the European Union?

Mr. Straw: I was in the House when the then Prime Minister, Margaret Thatcher, explained what she had done, and we were very unimpressed. She had to go for a rebate because of the consequences of her disastrous economic policies, which plunged Britain into recession, put 3 million people on the dole and made the United Kingdom one of the poorest countries in the whole of the European Union. *[Interruption.]* I am surprised that Conservative Members are laughing about 3 million people being unemployed. That was the reality 20 years ago, and many of our constituents remember it, which is why they have refused to return a Conservative Government since 1997. Thanks to this Government, far from being one of the poorest nations in Europe, we are now one of the most prosperous, so the context for negotiation has changed.

Mr. Doug Henderson (Newcastle upon Tyne, North) (Lab): I know that my right hon. Friend needs little encouragement to argue the British case both in this House and when he meets European colleagues. Will he raise the profile of the fairness of the budget distribution within the European Union and emphasise that the issue concerns not only an abatement or budget rebate, but finding a fair system that allows us to pay our fair share, which is no more and no less than our major partners?

Mr. Straw: We intend to have detailed discussions for the first time since the June Council at the General Affairs Council, which will meet next Monday 7 November. My hon. Friend is right that fairness is the issue. The current abatement is an anomaly, but it is an anomaly on an anomaly, and the most profound anomaly is the structure and funding of the common agricultural policy. That is the reason why we are seeking a review mechanism within the next financial perspective to ensure major and significant reforms of the CAP and a better distribution of the funding of the overall EU budget.

Mr. Eric Forth (Bromley and Chislehurst) (Con): Will the Foreign Secretary tell us whether the rebate is non-negotiable in those terms? Alternatively, will he reassure the House and the people of this country that if there is no reform of the CAP, there is no question of renegotiating the British rebate? Will he please answer those questions unequivocally?

Mr. Straw: What I can tell the House unequivocally is that, as my hon. Friend the Member for Newcastle upon Tyne, North (Mr. Henderson) has said, the rebate is currently fully justified. We are seeking a fairer system of funding, and if the reason for the rebate—the unfairness over time of the CAP—were to fall away, the case for the abatement would fall away. However, I will not anticipate the consequence of the discussions that will take place over the next two months.

Mr. John McFall (West Dunbartonshire) (Lab/Co-op): May I support the right hon. Member for Bromley and Chislehurst (Mr. Forth) by asking the Foreign Secretary to dismiss any suggestions that the rebate should be discussed before the bloated CAP programme is rectified? There should be a common EU-US policy on the Doha round in Hong Kong to allow developing countries at least half a chance of getting their goods into the rich man's network. It is only after those things have been achieved that we can even begin to discuss the rebate.

Mr. Straw: We are bound to discuss the rebate in the context of the future financing arrangements for 2007–13. That is unavoidable, because the current arrangements are on the table, where they have been since last June. I fully share my right hon. Friend's concerns about the structure and fairness of the budget, which is why we refused to reach a deal at the June Council and have clearly set out what we regard as an acceptable context for a deal in December.

Mr. Graham Brady (Altrincham and Sale, West) (Con): We are four months into a presidency that lasts six months—two thirds of the way through—yet last week I was told in a written answer that the Government have yet to present any presidency proposals for the 2007–13 budget. When the first ministerial discussion is

held on 7 November, will the Foreign Secretary at least make it clear that the UK will make no concessions, including on the rebate, merely on the promise of a review of farm spending in 2008–09?

Mr. Straw: We set out the circumstances in which we are willing to reach an agreement. The House has the reassurance of not only what I promise here but our refusal to do a deal in June because the offer from the Luxembourg presidency was not acceptable. We need a budget that is fair to all, takes account of the changed circumstances—happily, the UK is a much more prosperous nation now than it was 20 years ago—looks forward and shifts more funding towards the future of Europe, especially research and development, rather than its past, namely, agricultural spending. No responsible Government would anticipate the precise nature of any deal, or outline it until it was done.

Mr. Michael Clapham (Barnsley, West and Penistone) (Lab): My right hon. Friend knows that the EU budget was set in accordance with the strategic objectives that were identified, one of which was prosperity. In identifying that, the need for investment in training and education, small and medium-sized businesses and research and development was also recognised. If the spat on the rebate ends with the budget not being signed over in December, what will be the effect on that objective? Is it likely to have a detrimental impact on growth in the EU?

Mr. Straw: If there is no deal on the budget this or even next December, under the treaties, existing budgets are simply rolled over so that the budget's current structure is frozen, including the disproportionate amount that is spent on the common agricultural policy. We want a more significant proportion of spending to be devoted to research and development. I am pleased to say that we have the support of the president of the EU Commission, President Barroso, but we have a long way to go before we convince all our EU partners, especially France and other countries that are heavily dependent on agricultural subsidies, that that is the way forward. That is the purpose of the negotiations in the next seven weeks.

Mr. John Redwood (Wokingham) (Con): Will the Foreign Secretary hold urgent talks with our French partners about the matter? Does he agree that, unless we can remove the French obstacle on the agricultural budget, the EU can make no sensible proposal through the trade commissioner to help the Doha talks, and that we will therefore do nothing to help the struggling third world, which needs to export into our markets?

Mr. Straw: I have urgent talks all the time with our French colleagues—that is the easy part. It is more difficult to get them to agree with the position that we and other member states have taken. Agricultural subsidies and the Doha round were discussed at the special meeting of the General Affairs Council two weeks ago today. France sought a change in the negotiating mandate for the Commission and it was not successful. The existing mandate was confirmed. We realise—and others in Europe would do better to realise—that the level of subsidy for farming is proportionately higher in Europe than in the United States.

Kosovo

2. **Mr. Jim Devine** (Livingston) (Lab): What recent discussions he has held with EU member states about the future governance and constitution of Kosovo. [23242]

3. **Mike Gapes** (Ilford, South) (Lab/Co-op): If he will make a statement on the Eide report on the status of Kosovo. [23243]

The Minister for Europe (Mr. Douglas Alexander): We welcome Ambassador Eide's report and, in particular, his recommendation that a final status process be launched in Kosovo. That should reinforce regional stability and strengthen democratic, multi-ethnic society in Kosovo. The international community will remain engaged throughout the process and in implementing any settlement. My right hon. Friend the Foreign Secretary will chair a discussion on Kosovo with EU colleagues on 7 November.

Mr. Devine: I thank my right hon. Friend for his answer. What contact has he had with the Kosovan authorities about the return of people displaced by the conflict?

Mr. Alexander: May I take this opportunity to welcome my hon. Friend to the House and to his first Foreign Affairs questions?

I had the opportunity on a recent visit to Kosovo not only to meet representatives of the Kosovan authorities but to visit the multi-ethnic village of Babiak, where I was able to meet villagers who told me of their own experience of trying to re-forge a multi-ethnic community in the circumstances that followed the difficulties of recent years.

Mike Gapes: The Eide report makes sobering reading. It states that considerable work needs to be done on standards, particularly in regard to corruption, policing and judicial systems. Will the Government assure us that they will proceed with caution towards the final status, ensuring that any solution takes full account of human rights and of the judicial and policing systems in Kosovo?

Mr. Alexander: I can give the House that assurance. I am also aware of the important work that the Foreign Affairs Committee has done on the western Balkans; it published a report earlier this year. Given the importance of the issues involved, we none the less welcome the ambassador's report. My hon. Friend is right to identify the fact that further progress on standards undoubtedly needs to be made. None the less, the conclusion of the ambassador's report was clear.

Mr. John Randall (Uxbridge) (Con): Does the Minister agree that an important partner in our discussions on the final status will be the Republic of Macedonia, in the light of its own success in establishing a multi-ethnic state? Does he also agree that, before a final status for Kosovo can be achieved, the situation regarding the border area around Debelde should be resolved?

Mr. Alexander: The hon. Gentleman is correct to acknowledge that certain border issues need to be discussed as part of the final status process. He is also right to pay due compliments to the work that has been carried out in Macedonia. Macedonia should offer us a sense of possibility and optimism when we consider the challenges facing Kosovo, given the circumstances that afflicted Macedonia only a few years ago and the extent to which it has successfully managed to forge a multi-ethnic community in recent years.

Mr. Crispin Blunt (Reigate) (Con): Will the Minister confirm that self-determination would be wholly inconsistent with the policy of Her Majesty's Government when we intervened in Kosovo in 1999? Will he also confirm that the Government have learned the lessons of intervention without a clear exit strategy?

Mr. Alexander: I would be surprised if the hon. Gentleman was now arguing that we should have accepted ethnic cleansing being perpetrated on the borders of the neighbourhood that is the European Union. It is important to recognise that Kosovo—along with other partners in the process—has a responsibility towards the final status talks that are now taking place. It is not for me to pre-judge the outcome of the process at this time.

Mr. Denis MacShane (Rotherham) (Lab): I welcome my right hon. Friend's approach, but surely, after six years, the time has come to say that we should let Kosovo be Kosovo. This bastard half-state is a child of the United Nations, without the authority of a state to pass laws or to accept the responsibility of developing good relations with its neighbours, and it cannot continue much longer. Belgrade cannot have a veto. There is a need for consultation with Kosovo's neighbours in Macedonia, and for infrastructure development to allow economic growth to take place. Another five or six years of this non-status for Kosovo will make matters far worse. The time has come to say that Kosovo should become independent and accept the responsibilities of independent statehood.

Mr. Alexander: I certainly recognise that the status quo needs to be taken forward. That is why, notwithstanding the challenges that were identified in Ambassador Eide's report, it is now right to take the final status process forward. Independence for Kosovo remains one of the options, and it is the one that 90 per cent. of Kosovan Albanians are keen to secure. However, it is not for the British Government to pre-judge the outcome of the final status talks.

Angus Robertson (Moray) (SNP): Does the Minister agree that much good work has been done in Kosovo in recent years by the global conflict prevention pool, supported by the Foreign Office? That being the case, and with much work still to do in Kosovo, will he explain why the budget line for the Balkans has been slashed? While he is at it, will he also explain why the budget lines have been slashed for central and eastern Europe, the former Soviet Union, India, Pakistan and Kashmir? The list goes on. Why is money being siphoned off from the global conflict prevention pool strategy to pay for the quagmire of Iraq?

Mr. Alexander: This issue has already been the subject of some debate in the House. Indeed, I participated in such a debate with the hon. Gentleman only last week. If he does not believe that budgets should be reviewed in the light of changing circumstances, that is very revealing so far as the credibility of the Scottish nationalists is concerned.

Andijan Massacre

4. **Mr. Greg Hands** (Hammersmith and Fulham) (Con): If he will make a statement on the steps that the United Kingdom has taken to investigate the circumstances surrounding the Andijan massacre in Uzbekistan on 13 May. [23244]

The Minister for Europe (Mr. Douglas Alexander): We have been at the forefront of efforts to establish what happened in Andijan on 13 May. Our ambassador and his embassy team have visited the area, spoken to eyewitnesses and met NGOs. Our ambassador has spoken repeatedly to the Uzbek Government. We remain as convinced as ever of the need for a credible, external inquiry. That is why, under our presidency, the European Union has adopted a series of new measures against the Uzbek Government, including an arms embargo and a targeted visa ban.

Mr. Hands: I appreciate what the Minister says about the arms embargo, but is it not incongruous that his Government should support Uzbekistan's continued membership of the NATO partnership for peace programme?

Mr. Alexander: The NATO partnership for peace process relies not just on the will of one country, the United Kingdom, but on a number of other members of NATO. I respect the hon. Gentleman's point, but I think that we have taken what opportunities are available to us to register our profound concern at the failure to establish an independent inquiry and to take the practical measures that have been outlined through the European Union.

Mr. David Drew (Stroud) (Lab/Co-op): It would appear from the various e-mails that the Uzbek embassy kindly sends me that it has already made up its mind about the relative guilt of those who were shot. Is it not about time that the international community took the Uzbek regime much more seriously and tried to do something about it, rather than showing it far too much leniency as it has done in the past?

Mr. Alexander: I assure my hon. Friend that we take extremely seriously both the monitoring of the trial and, more generally, the need for an independent inquiry into the events in Andijan. We have led the international efforts to co-ordinate monitoring of the trial on behalf of the European Union, and we expect verdicts on the 15 defendants in only a few days. I assure my hon. Friend that the matter will continue to be of concern to the British Government.

Mr. Alistair Carmichael (Orkney and Shetland) (LD): Has there not already been a series of independent inquiries, organised by groups such as Human Rights

Watch and the Institute for War & Peace Reporting? Have they not established that what happened in Andijan was at least as bad as what happened in Tiananmen square? Should we not now seek sanctions against the Uzbek Government, similar to those that were imposed on China after Tiananmen square?

Mr. Alexander: We believe that the Uzbek authorities did use excessive, disproportionate and indiscriminate force, but we also believe that the case for an independent inquiry endures.

As for the specific efforts made by the British Government, I have already mentioned the imposition of an arms embargo under the British leadership and presidency, and the visa restrictions imposed on those deemed to have been responsible for the disproportionate use of force in Andijan. All technical meetings have been suspended under the European Union's partnership and co-operation agreement. We will of course support the reorientation of the Commission's funding programme for Uzbekistan to promote an increased focus on poverty reduction along with democracy, human rights and civil societies. We have taken action, but the Council of the European Union has not ruled out additional steps if they prove necessary.

Burma

5. **David Taylor** (North-West Leicestershire) (Lab/Co-op): What recent discussions he has had with his EU counterparts on Burma. [23245]

The Minister for Trade (Ian Pearson): Burma continues to be of great concern to the EU. The UK led the way in strengthening the common position last year, and Burma was addressed by the Council of Ministers in June and July this year.

David Taylor: Burma is a brutal regime that persecutes, imprisons and murders its opponents, tyrannises its people by trampling all over their human rights, and peddles heroin and amphetamines worldwide. Are we working with EU colleagues such as France, Denmark and Greece to force Burma on to the agenda of the UN Security Council so that it can intervene, as it has intervened in equally appalling regimes such as those of Afghanistan and Cambodia? Is that not what an ethical foreign policy is all about?

Ian Pearson: My hon. Friend is right to draw attention to the massive human rights abuses in Burma. We regularly discuss Burma with our EU partners, and we are also having discussions within the United Nations. We are supporting the United States initiative to seek Security Council consideration of Burma, and we would certainly support any action in the UN—including the Security Council—that would help to promote reform and positive progress in Burma.

John Bercow (Buckingham) (Con): Is the Minister as horrified as I am that the French company Total, through its $400 million investment in Burma, is propping up one of the most brutal and sadistic regimes in the world? Does he agree that the time has now come for robust sanctions to be applied against the oil, gas, gems and timber sectors to cut the supply of funds to the military? Is there, moreover, the slightest prospect now of achieving the critical mass necessary for change, or are we to be subject once again to a display of hand-wringing impotence by the European Union, as respect for human rights and democratic values comes a poor second to the reckless pursuit of filthy lucre?

Ian Pearson: As the hon. Gentleman knows, given that we have discussed Burma on a number of occasions, it is the UK's long-standing policy not to encourage trade or investment in Burma. We favour multilateral targeted measures against the Burma regime because we believe that they have greater practical impact and send a stronger political signal. Certainly, we regularly raise our concerns about Burma with our Association of South East Asian Nations partners, who perhaps have greater influence than do we in the west. We should not overestimate the effectiveness of western sanctions on the Burmese regime; they have not had any significant impact that we can see to date. We continue to keep our policy under review, but we need to ensure that it consists not just of sanctions.

Turkey

6. **Lynne Featherstone** (Hornsey and Wood Green) (LD): If he will make a statement on the human rights situation in Turkey. [23246]

The Minister for Europe (Mr. Douglas Alexander): The European Council's decision to open accession negotiations was prompted by decisive progress in Turkey's reform programme, notably on human rights. Further progress is required, but we believe that Turkey's EU accession process will continue to be an effective catalyst for improvement in its human rights situation, and that all concerns will be addressed during that process.

Lynne Featherstone: I thank the Minister for his response and we very much welcome the progress made by the Turkish Government in bringing their laws into line with international law. Given, however, that the UK currently holds the EU presidency, do the Government plan to discuss minority rights in Turkey with the Turkish Government?

Mr. Alexander: It is important to recognise that the negotiating framework itself, which was agreed ahead of the decision on 3 October, makes clear the obligations under which Turkey is operating. It states:

"The Union expects Turkey to sustain the process of reform and to work towards further improvement in the respect of . . . human rights and fundamental freedoms".

Since 3 October, Olli Rehn, the commissioner for enlargement, has travelled to Ankara and the basis of the discussions that took place was the negotiating framework, of which human rights are an essential part.

Andrew Mackinlay (Thurrock) (Lab): When Turkey received its candidacy status, did the Minister notice that journalists and authors were arrested for drawing attention to the Armenian massacres? What is Her Majesty's Government's reaction to that, given that the

Turkish Government refuse to acknowledge that the massacres took place, and that they arrest people for arguing that they took place?

Mr. Alexander: Clearly, the European Union and the British Government, which holds the EU presidency, are concerned that charges have been brought against Mr. Pamuk, the individual whom I believe my hon. Friend is referring to. But is it also important that this House take note of, and is respectful of, the views of that author, who said that he did not want the charges brought against him to stand in the way of Turkey's progress toward the European Union. While not in any way diminishing the difficulties that he continues to face, all of us who have a genuine concern for human rights in Turkey see continuing progress toward a European future for Turkey as the best way to secure human rights not just for him, but for other members of the Turkish population.

Richard Ottaway (Croydon, South) (Con): But is the Minister aware that the charge against Mr. Pamuk is insulting the country's national character? Bringing such charges against renowned authors undermines the whole judicial system, and without a judicial system in which people can confident it will impossible to make any progress on human rights.

Mr. Alexander: Of course, Turkey will have to make changes to its legal system given that, on its own estimation, it will not enter the EU for 10 to 15 years. However, at this critical stage after 3 October, it is important that we continue to make clear the EU's view on the urgency of the changes that are required. The case of Orhan Pamuk was raised with the Turkish Justice Minister in the margins of a justice and home affairs meeting held on 7 to 9 September. I assure the House that we will follow up that dialogue in the months to come.

Dr. Phyllis Starkey (Milton Keynes, South-West) (Lab): The Minister said that Turkey needs to make more progress on human rights, but noted that it has made considerable progress already. Will he take every opportunity, in this House and in the EU, to use that as a positive example of how the EU's commitment to human rights and democratic principles is the best way to improve human rights and democracy in countries which, like Turkey, wish to become EU members?

Mr. Alexander: My hon. Friend is entirely right. It ill behoves some Opposition Members to argue that the EU's only legitimate role is to be a large free trade area, and at the same time to assert their great concern for the role of human rights in the future of the EU and its members. Turkey and the western Balkans offer the clearest examples of how an enduring concern for human rights can transform societies. That transformation could not be achieved without the action of the EU, and the Euro-sceptics have no answer to that.

Rafiq Hariri

7. **Danny Alexander** (Inverness, Nairn, Badenoch and Strathspey) (LD): What action the Government are taking following the report of the UN inquiry into the death of the former Lebanese Prime Minister Rafiq Hariri. [23247]

The Secretary of State for Foreign and Commonwealth Affairs (Mr. Jack Straw): The UK was co-sponsor of UN Security Council resolution 1636, which was passed unanimously at a ministerial meeting of the Security Council yesterday. The resolution sets out the Security Council's profound concerns about Syria's behaviour towards the UN investigation into the assassination of former Lebanese Prime Minister Rafiq Hariri. It places clear obligations on Syria in respect of co-operation with the UN investigation and of non-interference by Syria in Lebanese domestic affairs. The resolution also makes it clear that the Security Council will consider further action if co-operation by Syria is not forthcoming.

Danny Alexander: I am grateful for that reply. The UN resolution is welcome confirmation of the will of the international community to identify, and take action against, those who are responsible for that appalling act. However, if the final report proves Syrian involvement beyond doubt, will the Foreign Secretary set out the measures that the Government would be prepared to take to act against those who are responsible?

Mr. Straw: First, I hope very much that the Syrian Government change their ways and co-operate with Detlev Mehlis, the UN prosecutor. As was made clear in the Security Council, the history has been one of co-operation on form, at best, and not on substance. Prosecutor Mehlis' interim report is a chilling catalogue of evasion and half-truths by the Syrian Government. I hope that they get the message: if they do not, the Security Council will take account of operational paragraph 13, which states that a further report would be compiled and that, if necessary, a further meeting would be held to consider further action. It is likely that that further action would be as set out in article 41 of the UN Charter, which includes provision for non-military sanctions.

Michael Gove (Surrey Heath) (Con): Does the Foreign Secretary recall that the Prime Minister entertained Syria's President Bashir al-Assad to tea in Downing street in December 2002? Does he regret that, on the same day, the Prime Minister wrote in the *Financial Times* that the president was determined to bring about "real change" in Syria, and that there were "encouraging signs"? Does he recall that, at the time, Syrian military forces were occupying the Lebanon, and that Damascus was playing host to the headquarters of Islamic Jihad and Hezbollah? Does the Foreign Secretary now regret coddling that dictator when he was planning mayhem across the middle east, and will he commit himself to supporting the democratic forces that want to bring about change in Syria, instead of remaining mealy mouthed on the issue?

Mr. Straw: I think that I do recall the tea; I have a feeling I was there.

As to the rightness of our Prime Minister's inviting the President of Syria to the United Kingdom, I say this: it was the correct thing to do, and I have no regrets

about that decision. It was right to invite him to see whether it was possible to persuade what was then a relatively new regime to change its ways. If we had not sought to co-operate or to put out a hand of friendship to the new regime, it would, on that regime's subsequent behaviour, have been far more difficult to get the consensus that we were able to achieve in the Security Council yesterday.

As to our being mealy mouthed, I suggest that the hon. Gentleman reads resolution 1636. He will see that its terms are anything but mealy mouthed and impose severe obligations on the Government of Syria in respect of the investigation into the assassination of Rafiq Hariri. It spells out, too, the consequences that will follow if they fail to co-operate.

Mr. Ian Taylor (Esher and Walton) (Con): The Foreign Secretary must regret many of the meetings that he has had with leaders in certain countries around the world.

The Foreign Secretary must surely draw the conclusion that Syria is continuing its reputation for undermining neighbouring countries. What is actually happening between Syria and Iraq? What Syrian insurgency is going on in Iraq? What was the full meaning of the American military operation that took place two days ago on the western border of Iraq, which appears to have been a message to the Syrians?

Mr. Straw: On the latter point, I shall have to write to the hon. Gentleman and place a copy in the Library, because I do not have full details.

On the involvement of Syria in interference in neighbouring countries, the Quartet issued a strong statement last Friday calling on Syria to stop allowing Islamic Jihad and other rejectionist terrorist groups to operate from within Syria. Syria has been denying that that is the case for some years, but everybody in the region knows that it is. The patience of the international community is running out in that respect.

As to Syria's involvement in terrorism in Iraq, we have sent strong, clear messages to the Government of Syria that they must secure their borders and must, for example, introduce a visa regime to Damascus airport so that those who travel by air, if you please, in order to become insurgents or, worse, suicide bombers can be stopped. The Syrian Government said two days ago, at long last, that they intend to introduce such a visa regime. If that is so, it is progress; but only small progress. What Syria must now understand, in the face of unanimous condemnation by the international community, is that its old ways, under both father and son, have to change, and to change both in terms of Syria's own peace and security and for the future of its people.

Mr. Keith Simpson (Mid-Norfolk) (Con): Sadly, from what the Foreign Secretary has just said, it is clear that the Syrians have a track record of refusing to comply with either bilateral or international pressure. It is obvious that the Syrians are not going to co-operate fully with the United Nations. Can the Foreign Secretary say why sanctions were not included in the most recent resolution, given that the Syrians appear only to move, very slightly, when they face the direct threat of action. Merely warning them again and again seems to produce no result whatsoever.

Mr. Straw: I understand the hon. Gentleman's scepticism about Syrian intentions. I do not think that it is to be taken for granted that Syria will not co-operate. The Syrians were profoundly shocked, I think, by the anger, and the unanimity of that anger, in the Security Council yesterday.

On sanctions, resolutions inevitably depend on our gaining consensus so that the terms cannot be vetoed. What we were seeking, provided the terms were not watered down too much, was unanimity, so that Syria got a tough message from across the international community. Immediate sanctions were never in any of the drafts that the United Kingdom put forward, and I should be happy to share some of the earlier language with the hon. Gentleman if he is interested. There is, however, a clear undertaking to consider further action—in other words, sanctions—if Syria does not now co-operate, as it has not co-operated in the past.

Zimbabwe

8. **Mr. Nigel Evans** (Ribble Valley) (Con): When he last met his counterpart in South Africa to discuss the security and economic situation in Zimbabwe. [23248]

The Secretary of State for Foreign and Commonwealth Affairs (Mr. Jack Straw): I last discussed Zimbabwe with South African Foreign Minister Dr. Zuma on 21 September. I will see her again on 7 November at the EU-South Africa Co-operation Council in Brussels. I will again impress on her the very fast deterioration in conditions in Zimbabwe. Tens of thousands of Zimbabweans remain homeless after their Government's callous eviction campaign and nearly 3 million people are in need of food assistance over the next six months. Inflation has reached 360 per cent. in the past year and is still rising, but the Government of Zimbabwe have just seen fit to reject offers of United Nations assistance. I discussed that yesterday with Secretary-General Kofi Annan, and I strongly endorse the statement that he issued yesterday which expressed profound concern about the situation in Zimbabwe. While sanctions imposed and tightened by the European Union and the United States are necessary, southern African nations have a key role to play in pressuring the Government of Zimbabwe for change.

Mr. Evans: With inflation running at 360 per cent., GDP set to fall by 7 per cent. this year, 700,000 people being evicted from their homes, 75 per cent. of people living below the poverty level, the Government refusing food aid, 3,000 people a week dying of AIDS-related illnesses and ambulances running out of fuel, Zimbabwe is a paradise lost. What extra action does the Foreign Secretary believe that South Africa in particular, and sub-Saharan African nations in the regions generally, should take to give the people of Zimbabwe some help and some hope for the future?

Mr. Straw: The hon. Gentleman is right to be angry and concerned about the situation, and his feelings are shared on both sides of the House. The situation is

frustrating, because southern African nations are the ones suffering the most—apart from the terrible plight of the Zimbabweans—from the wrecking of Zimbabwe's economy and society by Mugabe. However, trying to persuade them to take action or even to put strong pressure on the Mugabe regime is hard going. We will continue to do so and to take every opportunity to do so. I just hope that southern African leaders understand the urgency of the situation, not only for the people of Zimbabwe, but for their own societies which are now suffering high levels of unemployment, asylum seekers and infections such as HIV/AIDS, which now infects a quarter of the total population of Zimbabwe, as a result of Mugabe's criminally irresponsible policies.

Kate Hoey (Vauxhall) (Lab): I welcome my right hon. Friend's comments, but in view of the continued atrocities and the ban on Ministers travelling, can he explain why two officials from his Department and three officials from the Home Office, who visited Zimbabwe recently to examine the asylum seekers issue, paid a courtesy call to the Ministry of Foreign Affairs and the immigration department? In answer to a written question, I was told that those were courtesy visits.

Mr. Straw: We do have diplomatic relations with Zimbabwe. I happen to believe that that is right and is also a way to ensure that the interests of the 70,000 to 80,000 British passport holders in Zimbabwe are protected. It also ensures that we have a good flow of information and understanding about the situation in Zimbabwe. That being so, I am afraid that we do have to follow common courtesies in respect of our relations. The other option would be to break off those diplomatic relations. The visit by the officials was not a courtesy visit: it was to see whether—and if so, in what circumstances—those who are returned to Zimbabwe as failed asylum seekers suffer as a result of the regime. My hon. Friend will know that those circumstances were the subject of a recent judgment by the High Court.

Alistair Burt (North-East Bedfordshire) (Con): I received a fax this lunchtime from six Zimbabwean asylum seekers who are currently detained in my constituency at Yarl's Wood. They travelled on South African passports, which is a well-known escape route and they are due to be deported to South Africa, despite the current ban on returning Zimbabweans to that country. They are terrified by the prospect because of the known close relationship between the Zimbabwean and South African security forces. Can the Foreign Secretary guarantee the safety of those women if they are returned to South Africa; and if not, will he intervene to stop their deportation?

Mr. Straw: I know of no circumstances in which individuals returned to South Africa have been in danger from the Zimbabwe Government. So I hope that I can give that assurance, and I will check on it with my right hon. Friend the Home Secretary straight after this session of questions. This is a difficult issue. I, too, have failed asylum seekers in my constituency. In every case where failed asylum seekers have been returned to Zimbabwe, to the very best of my knowledge, they have not come to any harm. I understand the concern on both sides of the House, but the House is very insistent when in a different mood that, while we give a safe haven to genuine refugees, we do not provide a refuge to those who cannot justify their claim to refugee status before independent judicial authorities.

Mr. Lindsay Hoyle (Chorley) (Lab): I know that my right hon. Friend has concerns about Zimbabwe, but the big issue is what role the African nations can play. What role is our new high commissioner playing in trying to persuade South Africa to use some sanctions, which is what it will take if we are to break the evil regime of Mugabe? What else can we do, and what role is our high commission playing?

Mr. Straw: His Excellency the Right Hon. Paul Boateng is playing a very fine role in South Africa, as all of us would expect. There is a constant dialogue with the South African Government at every level. The South African Government fully understand what is happening. What they will say is that their view of what should be done is different from ours. I happen to take a different view. That dialogue must continue, and we will continue it, not least in the meeting at which I shall see Dr. Zuma next Monday.

Miss Anne McIntosh (Vale of York) (Con): President Mugabe has failed not only the Zimbabwean people, but the whole African continent. Clearly, the Foreign Secretary's diplomatic efforts are simply not working. From being a net exporter of food, Zimbabwe is now completely dependent on food imports. In spite of a damning UN report, no further action has been taken after the atrocities of the urban clearances. EU sanctions appear not to be working because most of the legitimate efforts are being channelled elsewhere. Will he please use his good offices to impress on the South African high commissioner to this country that our patience is rapidly running out?

Mr. Straw: I will certainly do so. Of course, as I have said already, I understand fully the concerns on both sides of the House. Our EU sanctions have been strengthened. They are working. They were targeted at individuals at the top of the regime, not at ordinary people who are suffering under the regime. We have also had a discussion in the Security Council. I wish that we could have a resolution in the Security Council; but so far, we have not been able to persuade at least nine of our colleagues on the Security Council to move for a resolution. We shall continue at every opportunity to push for such a resolution.

EU Presidency

9. **Keith Vaz** (Leicester, East) (Lab): What benchmarks he has set against which he will assess the effectiveness of the UK's presidency of the EU. [23249]

The Secretary of State for Foreign and Commonwealth Affairs (Mr. Jack Straw): My hon. Friend will recall that the work programme for the United Kingdom presidency was set out in detail by me in White Paper Cm 6611, which I presented to the House on 30 June.

Keith Vaz: May I welcome the progress that has been made in achieving those benchmarks? May I also congratulate the Foreign Secretary on his bonding session with the US Secretary of State recently and ask him whether he would be prepared to repeat that exercise with his EU counterparts, so that they can be persuaded of the need to ensure that the benchmarks on the Lisbon agenda are met? In the last eight weeks of our presidency, could we possibly have a little less Rice and a little more concentration on the bread-and-butter issues of economic reform?

Mr. Straw: What my hon. Friend describes as my bonding session with Secretary Rice I performed only because of what is said at the top of page 4 of the work programme—namely, that the EU should strive for a better relationship with the United States—so it was just work, work and work, I make that clear. On the issue of rice, my hon. Friend will know that there are problems with the subsidisation of rice in the EU, and that issue is being raised in the Doha development round.

I am very glad that my hon. Friend raised this question in that way. He always does his prep, and if he went down the list for the programme, he would see that, on better regulation, we have made major progress: 68 regulations have been withdrawn in the EU and 100 have been simplified. The post-financial services action plan, which is intended to secure a much lighter touch over regulation of things such as the City, has been agreed. On development in Africa, there have been major improvements, with a doubling in the promises of aid to Africa. Sugar reforms should be agreed by the Agriculture Council in November. On enlargement, we had the historic decision on time, in the United Kingdom presidency, to start negotiations with Croatia and Turkey. The UK presidency is working.

Sir Nicholas Winterton (Macclesfield) (Con): The Secretary of State has indicated that he thinks that the boycotts and sanctions against Zimbabwe should be fully implemented and honoured. Does he believe that those boycotts and sanctions are being implemented as they should be by all countries of the European Union? How is it that Mr. Mugabe and his other fellow travellers from that brutal regime may go to France and Italy almost at will? Is that showing the effectiveness of our EU presidency?

Mr. Straw: It is not true that those people go to those countries at will—there is a proper procedure. However, under this sanction regime, as is the case under any sanction regime throughout the world, there is provision to allow members of the Zimbabwe Government to have visas when they are attending international organisation meetings, just as the United States has to allow all sorts of world leaders against whom they deploy sanctions to attend meetings of the United Nations in New York.

Middle East

10. **Richard Burden** (Birmingham, Northfield) (Lab): What assessment he has made of Israel's compliance with its obligations under the road map concerning the construction of settlements in the west bank.

[23250]

The Minister for the Middle East (Dr. Kim Howells): The road map is clear that Israel should freeze all settlement activity and dismantle all outposts built since 2001. Sadly, Israel is doing neither. Continued settlement construction in the west bank is contrary to international law and a clear obstacle to peace. We continue to call on Israel to meet its road map commitments, including on settlements.

Richard Burden: I welcome that reply. May I first express my rejection of the comments made last week by the President of Iran, which indicated that we all need to redouble our efforts for a viable two-state solution in that part of the world?

My hon. Friend mentioned settlement building. Israel has withdrawn 8,500 settlers from Gaza and evacuated 19 square miles of territory. However, on 18 October, *The Guardian* reported that in one year Israel had moved 14,000 settlers into the west bank and seized 23 square miles of Palestinian territory around Jerusalem. Given that that is contrary to Israel's road map commitments and that it destroys the possibility of a Palestinian state, will my hon. Friend say what he suggests the international community should do about that, as well as what it might say about it?

Dr. Howells: A couple of weeks ago I had the opportunity to see for myself the impact of the great barrier, or wall, that has been built in and around Jerusalem. It is a pretty horrendous structure, but it is not easy to persuade the Israelis—I am talking about ordinary people—that it is not a good idea because it has reduced the number of suicide bombers and, most importantly of all, the number of people killed in Israel, although there was of course a dreadful suicide bomb in Hadera last week.

The EU and the United Kingdom have made their opposition to the settlements clear. My hon. Friend has quite properly outlined the way in which Israel disengaged from Gaza, which shows that that can be done. Many settlements in the west bank are little more than converted lorry containers and caravans, and it is entirely possible that Israel could even at this stage show the kind of determination that it showed in Gaza, get the settlers out of there and start to move towards meeting the road map commitments.

Sir Menzies Campbell (North-East Fife) (LD): Is not the risk that the developments, which the Minister saw for himself, will make the achievement of a just and viable two-state solution difficult? The extension of the security wall to the north of Jerusalem and the proposal that it should be further extended to the east brings even closer the day when Jerusalem will be cut off from the west bank.—*[Interruption.]* How can that possibly be consistent with Israel's responsibilities, either at international law or under the road map? Would not adherence to the road map and progress on it be one of a series of effective responses to the grossly irresponsible remarks of the President of Iran?

Dr. Howells: The right hon. and learned Gentleman is right. I hope that the Israeli Government, who showed tremendous imagination and fortitude in disengaging from Gaza, have the same opinion about the west bank. It is possible to begin that disengagement now, but it

needs to done very carefully because, as hon. Members shouted from sedentary positions, "What about the deaths? What about the security of Israel?" They are right: Israel must have the right to defend itself, and it is doing just that.

The right hon. and learned Gentleman makes an important point. It will be difficult for people from the southern part of the west bank to move to the northern part, let alone the tens of thousands of Arabs who live within Jerusalem, where lots of different people have lived together over the centuries. If Israel understands the animosity that exists world wide towards the segregation of that city and the way in which it is happening, and if it weighs the balance between measures it can take to defend itself and the detrimental effects that that segregation has, then I am sure that the Israeli Government will come down on the side of saying, "Look. We don't want to put up more barriers to a peaceful, viable neighbour in the shape of Palestine. We want to try and help to facilitate that as a viable country that can thrive."

Libya

11. **Tony Lloyd** (Manchester, Central) (Lab): What representations he has made to the Libyan authorities on the case of the Bulgarian nurses and the Palestinian doctor relating to the infection of children with HIV/AIDS in Benghazi. [23251]

The Minister for the Middle East (Dr. Kim Howells): We have repeatedly raised this issue at all levels with Libya. We recognise the terrible tragedy of the children infected with HIV in Benghazi, and sympathise with their families, but we have urged Libya to resolve this to the satisfaction of all parties. We are deeply concerned that the death penalty was imposed on the medical staff and we want to see them released.

Tony Lloyd: My hon. Friend was right to express his concern and that of the Government—indeed, everyone's concern—about the plight of the hundreds of children who contracted HIV/AIDS in Benghazi. However, he is also right to say that it is grotesque that the medics—five Bulgarian nurses and a Palestinian doctor—face the death penalty. While in prison, they have been the victims of torture and sexual abuse, and the confessions extracted are worth almost nothing in any legal process.

Libya's progress back into the world that we want it to be in is put in jeopardy if the death sentences are confirmed. Before the case comes back to the Libyan Supreme Court, will my hon. Friend ensure that every effort is taken over the next few days to make sure that Colonel Gaddafi and the Libyan authorities understand that the issue is not trivial and will be used to judge what progress Libya makes?

Dr. Howells: Yes, and my hon. Friend is right to highlight the changes that have occurred in Libya. It has renounced terrorism, abandoned its weapons of mass destruction programmes and become a safer neighbourhood for the United Kingdom and the EU in general. I am aware of his impressively detailed report into the children infected with HIV in Benghazi and the recommendation by the Assembly of the Council of Europe, which I understand will be published at an appropriate time. The UK supports any efforts that seek to bring about the release of the Bulgarian and Palestinian medical staff, and we will continue our active engagement with the Libyan authorities to secure just that outcome.

Iran

12. **Mr. Brian Binley** (Northampton, South) (Con): If he will make a statement on Iran's nuclear programme. [23252]

The Secretary of State for Foreign and Commonwealth Affairs (Mr. Jack Straw): The International Atomic Energy Agency's board of governors, in its resolution of 24 September, declared Iran non-compliant with its safeguard obligations under the non-proliferation treaty. While in New York yesterday and Sunday, I took part in informal discussions with Security Council partners and others to consider how the international community could take the issue further forward.

The House will also be aware that the UN Security Council issued a statement at the end of last week condemning the comments made on 26 October by Iranian President Ahmadinejad that Israel must be wiped off the map. These disgraceful comments further underline international concerns about Iran's nuclear programme.

Mr. Binley: Given the concern that the Foreign Secretary refers to, especially about recent statements, do the Government still rule out discussions with groups opposed to the Iranian regime, even though internal regime change remains an option that could considerably reduce the implied threat?

Mr. Straw: Regime change in Iran is not part of the policy of Her Majesty's Government; nor do I think it would be wise.

Dr. Liam Fox (Woodspring) (Con): In relation to Iran, the Prime Minister said at the end of the European summit:

"People are going to ask, 'When are you going to do something about this?'"

What do the Government intend to do, rather than simply say, and what is their time scale?

Mr. Straw: The Government are working with our European partners and now, increasingly, with the United States and the Russian Federation to ensure that the Iranian Government become fully compliant with their obligations under the non-proliferation treaty. There are significant questions about the purpose and capability of Iran's nuclear programme. As yet, there is no conclusive proof that it is to be used as a nuclear weapons programme, just significant questions, and we need to be careful about what is made public and about the basis on which we make those judgments.

Over the past two and half years there has been much frustration in the E3 process. At the same time we have, by dint of negotiation and strong pressure from the international community, managed to secure a situation in which the enrichment of uranium by the Iranians

remains suspended. We intend to continue with that as well as, in conformity with the Paris agreement, putting before Iran provisions by which it may be offered guarantees for its nuclear power programme while the international community receives objective guarantees that no part of the programme can be used for nuclear weapons purposes.

Dr. Fox: In any potential Security Council action China will be a major player, but China has just signed a $100 billion deal over 25 years for Iranian oil and gas. Clearly that could not be used as a reason for China to block any UN action.

The House would expect a commitment that the Prime Minister will raise that specific issue with the Chinese President during the state visit next week. Will the Foreign Secretary give the House that commitment?

Mr. Straw: I am sure that my right hon. Friend the Prime Minister is indeed intending to raise the matter with the President of China, as I have done repeatedly with my opposite number, Foreign Minister Li. The Government of China do have commercial relations with Iran, as do many other countries. A close relationship between India and Iran, however, did not stop India voting with the E3/US consensus on the board of governors declaring Iran non-compliant. I commend the approach taken by the Government of China. In all the discussions that I have had with them they have sometimes taken a different view, but at every stage they have acted responsibly, and no permanent member of the Security Council wishes to see a nuclear-armed Iran. If anyone had any doubt about that, those doubts have been completely allayed by the extraordinary and disgraceful statement by President Ahmadinejad on 26 October.

Point of Order

3.33 pm

Mr. John Maples (Stratford-on-Avon) (Con): On a point of order, Mr. Speaker. I wonder whether I may seek your guidance. Question 10 was the only question on the Order Paper concerning the middle east peace process, and not a single Conservative Member was called. What can we do to make sure that more balanced discussions of these questions take place, other than being lucky enough to have a question come up in the first 10 on the Order Paper?

Mr. Speaker: I try to get a balance over all the questions. The hon. Gentleman should look at the broader picture. He will note that his Front-Bench colleague wanted to ask two questions on Question 12, and I was very keen to see that that happened—so keen that I ran over time by three minutes. If the hon. Gentleman looks at the big picture, he will see that the Speaker is always fair.

Sale of Green Belt Land

3.34 pm

Greg Mulholland (Leeds, North-West) (LD): I beg to move,

That leave be given to bring in a Bill to make provision regarding the sale of green belt land, and for connected purposes.

A few weeks after being elected to this place, I was invited to visit one of the farms in my constituency. Contrary to perception—representing a Leeds seat—there is a substantial amount of farmland in the middle of my constituency.

During my visit to Wrinkle Wood farm, I learned much of the situation in which farmers find themselves. I was told by the farmer, Mrs. Jennie Clayton, that she had been approached by a company called English Land Partnership, which had bought the plot opposite, at Cookeridge Pastures, and was selling the land on the basis of future development of the site.

I was confused because I was under the impression that the area was designated as protected green belt land. Mrs. Clayton showed me a letter and the video that she had been given. I saw the grand plans for housing that the company had produced. Indeed, it was selling plots in this fictional development. I learned that this was the practice of land banking. I had never heard of it, and when I speak to others their reaction is the same.

According to investor.words.com, land banking is the practice of acquiring land and holding it for future use. In reality, land banking is the practice of purchasing green belt land for a reasonable and often low price, and selling it off in plots for a substantial mark-up to private investors.

Ironically, I am presenting the Bill in the year that the green belt is celebrating its 50th anniversary. It is the 50th anniversary of the first Government circular telling councils to designate areas of green belt land.

Land banking companies generally purchase green belt land for a very reasonable price but are all too reluctant to reveal exactly how much they have paid for it. Research shows that the land, if purchased at the average rate in a particular area, can be sold off for an extraordinary profit margin. Land bankers can often sell land for up to 100 times the price that they paid for it. In my constituency, our research shows that the average selling price for a 2,500 sq ft plot of land in the Yorkshire and Humber area is £115. However, similar sized plots in my constituency are being sold by English Land Partnership for £18,750.

The problem is that investors have virtually nothing to gain and everything to lose with such purchases until the land is given change of use. Then, when they have tens of thousands of pounds tied up, they realise that there are no plans for homes. Their only chance to get their money back is to get permission for development. That can put unacceptable and potentially unethical pressure on local authorities to review green belt areas.

The success of land banking from the companies' point of view is that their development plans may become self-fulfilling prophecies. Of course, having made a fortune from their sales, they need to push the process through to its logical conclusion. That becomes a benefit and not a necessity. There is a huge question

[Greg Mulholland]

mark over the character of the so-called land banking companies. All too often it is merely a get-rich scam that is being peddled by fly-by-night companies, set up to carry out the scurrilous process of land banking. There have been instances of companies being investigated for fraud and partners being banned from being directors or managers of companies.

The real concern is the selling practices of land banking companies. There have been cases where investors were told that planning permission would be granted within a year. In other cases, investors were assured that they would see a return on their investments within a year. The companies involved simply say that they are liable only for statements made in writing by one of their directors, thus turning a blind eye to sales people, who are often self-employed and who are making misleading claims about the likelihood of change of use.

There are disgruntled investors not only in this country. The Australian Government are taking action against the land banker, Stephen Cleeve of the European Land Sales Partnership under the Australian Fair Trading Act. The situation in this country, however, is more complex. When approached by a solicitor acting on behalf of disgruntled investors, the Department of Trade and Industry replied that it cannot, or will not, take action against land banking companies because they are partnerships, not companies. The DTI only has the jurisdiction to investigate companies, not partnerships. Officers from the Serious Fraud Office visited farms in my constituency, but the SFO is not interested in investigating such companies, despite the mounting evidence against them.

That is why we must seek to amend the law. The central purpose of my Bill is to protect the green belt, which covers 13 per cent. of England. Wales has only recently introduced its own green belt policy, while Scotland has a broader concept of green belt. The Barker report, which said that 140,000 extra homes needed to be built every year, has given rise to further fears that new development could eat into the green belt. The Bill would strengthen green belt legislation, as it would seek to enshrine green belt status in statute, and it would enable local authorities to designate green belt land with enhanced protected and legal status. It seeks to devolve decision making about green belt status to local authorities, removing the Secretary of State's power to overrule a local decision to refuse planning permission or designation.

The Bill would effectively outlaw the scurrilous practice of land banking, and would require that designated green belt land can be sold and marketed only as protected land, not under the guise of any future development. It has the support of members of all parties and of people from all four corners of the country. I am delighted to have the backing of the Campaign to Protect Rural England, whose head of policy, Henry Oliver, said: •

"These companies are playing a reckless, cynical game with one of our most important environmental assets. Unscrupulous sale and sub-division of Green Belt land needs to stop. It's ugly, bad for the landscape and undermines public confidence in our planning system."

I am pleased that the hon. Member for Shipley (Philip Davies) has agreed to be a signatory to the Bill, as his constituency borders my own. The issue was raised last year by the former Labour Member for Milton Keynes, North-East, Brian White, who reported that a company called ELS stood to make £3 million from the sale of plots in Brickhill in his constituency.

When I left Wrinkle Wood farm after learning about the practice of land banking I pledged to do what I could to raise the issue. I am delighted to introduce the Bill, and to draw the attention of the House to a genuine local concern that is also a national problem. I urge the House to grant the Bill a Second Reading, and I hope that as more and more hon. Members on both sides of the House encounter the dangerous and dubious practice of land banking, they will give the Bill their full support.

Question put and agreed to.

Bill ordered to be brought in by Greg Mulholland, Norman Lamb, Norman Baker, Dr. John Pugh, Andrew Stunell, Dr. Vincent Cable, Lorely Burt, Lembit Öpik, Bob Russell, Tim Farron and Philip Davies.

SALE OF GREEN BELT LAND

Greg Mulholland accordingly presented a Bill to make provision regarding the sale of green belt land; and for connected purposes: And the same was read the First time; and ordered to be read a Second time on 12 May, and to be printed [Bill 71].

Orders of the Day

European Union (Accessions) Bill

Order for Second Reading read.

3.44 pm

The Minister for Europe (Mr. Douglas Alexander): I beg to move, That the Bill be now read a Second time.

Enlargement of the European Union is a policy that has made an enormous contribution to stability and prosperity across our continent. I am glad to say that it has always been an issue on which the House has been united. As the noble Lord Hurd of Westwell, a past Conservative Foreign Secretary, stated in 1995:

"Enlargement is not a luxury. It is a necessity, if we are to build a safe and successful Europe for the 21st century".

More recently, reflecting the tripartisan support that has developed for enlargement, the right hon. and learned Member for North-East Fife (Sir Menzies Campbell), who is in his place, stated:

"The ability to spread stability, democracy and economic opportunity to a wider region of Europe has been a tremendous thing for the continent".—[*Official Report*, 8 June 2005; Vol. 434, c. 1273.]

It is in such a spirit of shared resolve that I hope we can debate the Bill today.

The Bill before the House is narrowly drawn. It will do two things. Clause 1 will enable the implementation, under United Kingdom law, of the accession treaty signed in Luxembourg on 25 April, extending the European Union to Bulgaria and Romania. Having concluded negotiations with both countries in December last year, European Union member states agreed that they should join the EU. They are scheduled to do so in January 2007, but if they are "manifestly unprepared for membership", EU member states can decide to delay entry by a year. The Commission is responsible for monitoring both countries' preparations and has just produced thorough reports on them. It will produce further reports in April or May next year. I will say more about this process in due course.

Angus Robertson (Moray) (SNP): Is the Minister aware that members of the House's European Scrutiny Committee are currently meeting Members of the European Parliament? That happens once or twice a year. The Leader of the House has said that parliamentarians should increasingly work together in this way in future. Why have the Government timetabled today's important business to clash with that meeting? Why is there not better co-ordination between the Whips Office and the important discussions between the European Scrutiny Committee and MEPs?

Mr. Alexander: There was no intention that Members of the House would not be able to scrutinise the Bill to the degree that one would wish. I am aware that important meetings are taking place with parliamentarians from other places, as well as parliamentarians from this place. Indeed, yesterday I had the opportunity to address the chairs of foreign affairs committees from across the EU. I can assure the House that, not least because of the level of consensus on enlargement that the House has enjoyed in the past, it is from the wilder shores of conspiracy to suggest that the tabling was intentional.

Several hon. Members *rose—*

Mr. Alexander: I am keen to make a little progress.

Clause 2 will allow the Government to set the terms on which Bulgarian and Romanian workers will be granted access to the UK labour market after accession, for a maximum seven-year transitional period, before Community rules on the free movement for workers come into force. A decision on the level of access will be taken next year after closer consideration of the state of the labour market, other member states' decisions, and the impact of the last enlargement in 2004. It will be implemented only after parliamentary approval.

Mr. John Redwood (Wokingham) (Con): As the treaty is being brought in by means of amendment to the European Communities Act 1972, will the right hon. Gentleman confirm that it is the Government's view that the EU has power in this country only by virtue of that Act?

Mr. Alexander: Clearly, we are ratifying a treaty consistent with our international obligations. The basis on which we are members of the EU is the decision reached in 1972, which was subsequently ratified in a referendum in 1975. That is common ground between all parties in the House.

Let me begin with clause 1, and the enlargement of the European Union. Enlargement has been a feature of the EU for over 30 years. The first was in 1973, when the accession of the United Kingdom, Ireland and Denmark took place. Greece, Portugal and Spain joined in the 1980s; Austria, Finland and Sweden in the 1990s.

The 2004 enlargement has, in many ways, been the largest, most complex and most symbolic. The accession of Cyprus, the Czech Republic, Estonia, Latvia, Lithuania, Hungary, Malta, Poland, Slovenia and Slovakia set the seal on the cold war division of Europe. It is a real and substantial achievement of the European Union.

Mr. Ian Davidson (Glasgow, South-West) (Lab/Co-op): Does the Minister, like me, recall that many of us who welcomed these accessions were told that they would be impossible without the acceptance of the European constitution? Yet the European constitution has fallen and these countries are still being allowed to join. Is not that a peculiar situation?

Mr. Alexander: It is not a comfortable matter for me to disagree so absolutely with my hon. Friend, but I think that his recollection of events is somewhat misplaced, in the sense that the possibility of the enlargements of which I spoke has always been clear, not least on the basis of the Nice treaty.

The accession of Bulgaria and Romania will add an additional 30 million consumers to the European Union single market. That creates new opportunities which our companies are already keen to secure. For example, Vodafone has just bought out the largest mobile phone operator in Romania. Bulgaria and Romania have made great strides in recent years. The prospect of EU enlargement is encouraging them to make the political, judicial and economic reforms necessary

[Mr. Alexander]

before becoming full members. Bulgarian growth has consistently been double the EU average over the last five years, and successive Governments have successfully halved unemployment over that period. Romania has brought inflation down from more than 100 per cent. in the late 1990s to around 8 per cent. today, and has successfully attracted more foreign direct investment than any other state in south-east Europe.

As I mentioned earlier, the Commission produced detailed and rigorous reports on both countries, which were published last week. In presenting those reports, Enlargement Commissioner Olli Rehn said.

"Bulgaria and Romania have achieved significant progress so far in their preparations for accession. But the jury is still out".

The reports highlighted a range of areas in which Bulgaria and Romania need to make urgent progress if they want to be ready for accession in 2007. There are some important general issues that both countries need to address. Corruption remains a serious problem in both countries, undermining public and business confidence, and they need to take urgent and vigorous action to tackle it. Part of the problem lies in their justice systems, which need further reform. Bulgaria must also tackle head-on the problem of organised crime. The daylight assassination last week of a high-ranking financier in Sofia demonstrated starkly the scale of the challenge.

In the coming months, the Commission will continue its rigorous monitoring of the progress that both countries are making, targeting in particular the areas of serious concern identified in the reports published last week. It will then produce further reports next April or May.

Andrew Mackinlay (Thurrock) (Lab): I hope that the Minister can explain something that I do not understand. In relation to the 10 who recently joined, there was no guarantee of membership almost right up to the very end point, at the 11th hour before accession. Under this procedure—uniquely, it seems, in the history of enlargement—Bulgaria and Romania are guaranteed accession by 2008 under the treaty, so we would be reliant on the infraction procedure to get compliance and enforcement after the event. Why were the ground rules altered for these two as compared with previous accessions?

Mr. Alexander: I disagree with my hon. Friend's characterisation of the relative rigour with which the Union recognised the challenges of the 10 in 2004 and Bulgaria and Romania in the present day. There is the super-safeguard clause in relation to the possibility of deferring membership for Bulgaria, for Romania or for both, as well as several safeguard clauses that I will discuss later.

Daniel Kawczynski (Shrewsbury and Atcham) (Con): The Minister mentioned the assassinations in Bulgaria, but went through that point rather quickly although it is very important. There have recently been many press reports that the Bulgarian Government have been using the secret police to wipe out some of their political opponents. It is a very serious issue and I should like the Minister to look into it before allowing Bulgaria to steam ahead with membership.

Mr. Alexander: I assure the hon. Gentleman that there are procedures whereby the European Commission is able to ensure the rigorous standards that all of us, as members of the Councils of Europe, are able to uphold in terms of potential accession to the European Union. I am not aware of the specific allegation to which the hon. Gentleman has referred, and if he wants to write to me, I will, of course, consider it, before passing it on to the appropriate authorities. The brevity of my reference to the recent assassination does not mean anything other than that we are dealing with it seriously. I have sought to reflect the due seriousness with which we regard the challenge of organised crime, which, as last week's reports drew out, is a significant issue for Romania and particularly Bulgaria.

Mr. Wayne David (Caerphilly) (Lab): On Bulgaria, does the Minister accept that the recently elected coalition Government, led by Sergei Stanishev, have gone a long way to tackling those problems by introducing a new criminal court, which should be very effective?

Mr. Alexander: I am certainly willing to welcome that. A broader question is how to address the practical challenges concerning high-level trials of those who are charged with corruption and legal changes, and I am convinced that the answer is to take forward the rigorous process that the European Commission set out last week in its report.

Rev. Ian Paisley (North Antrim) (DUP): The Minister knows that the Commission does not have a good record on scrutiny and cannot stop fraud in its own offices. How can it act as a superior to those new members?

Mr. Alexander: The hon. Gentleman has raised the important and historic concerns about fraud in the European Union that have been ventilated in this House on a number of occasions. Commissioner Olli Rehn from Finland, who is responsible for enlargement, certainly holds the respect of those Labour Members who want to see a European Commission that is genuinely rigorous in the pursuit of potential accession countries. If hon. Members were, like me, privy to the discussions on the accession of Turkey to the European Union, they would be in no doubt about the seriousness with which the European Council now regards the objective criteria against which candidate countries are judged.

Given Olli Rehn's personal statements and the terms of last week's European Commission report, it is clear that he personally and the Commission generally take seriously the rigour required by not only the European Council, but the citizens of Europe on countries seeking to join the European Union. In the coming months, the Commission will continue its rigorous monitoring of the progress that both countries are making, targeting the areas of serious concern identified in those reports. If there is still a serious risk that either or both will be manifestly unprepared for membership in January 2007, the Commission can recommend delay by a year. And the Commission can also, if necessary, impose targeted safeguard measures to tackle problems in specific areas. We will need to consider the next Commission reports

carefully and, if they recommend delay, decide how best to respond based on a careful assessment of UK interests.

Mr. Anthony Steen (Totnes) (Con): Is the Minister concerned, as I am, about child trafficking over the border into Romania and Bulgaria and then into western Europe? Is he aware that such child trafficking often involves child adoption and that millions of pounds pass through the hands of the gangs involved? The issue is not specifically mentioned in the report, and I wonder whether we should be concerned about it.

Mr. Alexander: We are concerned about both those issues. On child trafficking and people trafficking more generally, it has been suggested that one or both of Romania and Bulgaria are both sources and transit countries for that outrageous and disgusting trade. I assure the hon. Gentleman that the matter is a cause for continuing concern, and I see that my hon. Friend the Minister for Immigration, Citizenship and Nationality concurs with that view.

The Minister for Immigration, Citizenship and Nationality (Mr. Tony McNulty) *indicated assent.*

Mr. Alexander: The matter is best addressed by more effective and deeper co-operation between member states of the European Union. Those of us who share the ambition to stop that outrageous and unjust trade in humans must work together effectively, and the European Union provides an architecture that allows us to give practical expression to that shared commitment.

We are confident that both countries can be ready to join the EU on schedule in January 2007. However, they cannot afford to be complacent, not least in the face of the challenges that have been described. They need to take robust action now to address the concerns that the Commission identified in the reports. Of course, we will continue to provide bilateral and other assistance targeted at the matters that matter most. For example, we already have three advisers working in Romania on tackling corruption. The accession coincides with ongoing discussions on the next financial perspective for the EU from 2007–13—that was discussed in the Chamber only this afternoon—and the cost of the enlargement remains largely a matter for negotiation.

That said, most EU expenditure on Bulgaria and Romania has been provisionally agreed for 2007–10, assuming that accession takes place on 1 January 2007. That will total approximately €15 billion over the next three years. Of that, roughly €5.5 billion will be devoted to agriculture-related spending and approximately €8 billion to structural funds. I stress that those are indicative figures. Of course, that is a significant amount of money by any standard.

However, as hon. Members will know, most of the costs of accession are borne by the new member states and the objective is to ensure that, over time, net recipients start to contribute to the EU budget. Spain and Ireland are good examples of that. Of the newcomers, Slovenia and Cyprus's purchasing power in terms of GDP per capita overtook that of Portugal this year.

Let me consider clause 2. Under the terms of the accession treaty, the UK has the ability to decide the level of access it offers Bulgarian and Romanian workers up to a maximum of seven years after accession. Clause 2 gives the Government wide flexibility in deciding that. With accession more than a year—possibly two years—away, it is simply too early to decide what the level of access should be. We may want to continue the current work permit scheme. Conversely, we may decide to offer more lightly regulated access, along similar lines to that given to workers of the eight central and eastern European countries that joined in the 2004 enlargement.

Keith Vaz (Leicester, East) (Lab): I urge my right hon. Friend to adopt the same practice as our Government used in the previous enlargement. He will remember the hysteria on the Conservative Benches, with predictions of all these Poles and Lithuanians coming into the country to take our jobs and our women and go on benefits. That never happened. Those people make a huge contribution to our economy. I say to my right hon. Friend, please do not leave it too late—we left it very late last time. Let us take a firm course of action and show the rest of the EU what we mean by leadership.

Mr. Alexander: As my hon. Friend suggests, we showed considerable bravery at the time of the previous accession. I believe that subsequent events have justified that. I listened with interest to my colleague the Minister for Immigration, Citizenship and Nationality when he discussed the matter on the "Today" programme this week. He made it clear that, on the basis of the recent figures that were published in June, the individuals in question have not been a profound burden on the UK welfare state or the taxpayer. Many have made a significant and valuable contribution to the dynamism of the British economy and the strength of the labour market.

The workers who come here are mostly young and do not all work in London—only 20 per cent. are based there—but choose to work throughout the UK. They make a valuable contribution to our economy and our society. They are employed in a broad range of industries from health care to business administration to farming—industries where there would otherwise be serious gaps in our labour market. They contribute to the UK's economic growth and our tax revenues without being a burden on the state. Of course, the position can change. That is why we intend to make a decision on the amount of access we grant Bulgarian and Romanian workers on the basis of the requirements of the labour market closer to the date of accession and after consideration of other member states' decisions. The Home Office, the Cabinet Office, the Department for Work and Pensions and the Office of the Deputy Prime Minister will all be involved in the process.

Mr. David Jones (Clwyd, West) (Con): Does the Minister know that, in the boundaries of Moldova, approximately 1 million Moldovans hold Romanian

[Mr. David Jones]

nationality or are entitled to a Romanian passport? Have those individuals been included in his calculations?

Mr. Alexander: As I was seeking to make clear, we have not made a calculation at this stage. The presumption on which the hon. Gentleman's question is based is therefore fallacious. We want to consider all the relevant factors at the right stage. That is why the prudent approach that we have taken in the Bill—with its enabling clauses that will allow us to reach the right decision on the basis of the information available at the time—is the correct one.

As Members will be aware, enlargement is an ongoing process. Under the UK presidency, the European Union has opened accession negotiations with Turkey and Croatia. We have also opened negotiations for a stabilisation and association agreement—the first major step in the accession process—with Serbia and Montenegro, and hope to do so soon with Bosnia and Herzegovina. Later this month, we will be considering a Commission assessment on whether Macedonia is ready to become a candidate country.

Of course, this process is evolving. Indeed, the option of delaying accession by up to a year is a good example of one such refinement. It was first introduced for Bulgaria and Romania. The European Union must be rigorous in ensuring that all the requirements for European Union membership are met.

As I said at the outset, European Union enlargement has always enjoyed strong cross-party support. The last accession Bill to come before the House received 491 votes in support at this stage, in May 2003. This consensus has enabled the UK to play a leading role, I am proud to say, in driving forward a policy that is fundamentally in our interests, in the interests of our European Union partners and in the interests of the two accession states.

I hope that today we can once again come together and send a clear message in support of Bulgaria and Romania's accession to the European Union. Of course we have to ensure that they are ready for membership, and we will do so. But today I believe that we can be optimistic that two important partners will soon become members of an enlarged, outward-looking Europe seeking to meet the challenges of coming decades. I commend the Bill to the House.

4.6 pm

Mr. Graham Brady (Altrincham and Sale, West) (Con): The Minister was good enough to acknowledge not only that the Conservative party was a long-standing supporter of the European Union's enlargement, but that it was among its first supporters. The House will remember Lady Thatcher's famous speech in Bruges in 1988, in which she insisted that the European Community, as it then was, should stand not only for the small Europe of the rich west but for the whole of Europe, including those nations then in chains behind the iron curtain. It is therefore with real pleasure that we receive the Bill, and, when the time is right, we shall look forward to extending a warm welcome to the new accession countries. It should be a source of pride that there has always been cross-party consensus in Britain on the enlargement of the European Union. Some members of the EU have been afraid of a wider Europe and have, from time to time, sought to hinder that objective.

Kelvin Hopkins (Luton, North) (Lab): I am interested to hear what the hon. Gentleman is saying, but does he recall that Edward Heath opposed enlargement because he was fearful that his vision of a strong, centralised western Europe would be undermined by eastern Europe?

Mr. Brady: I think that the new Labour dictum is, "Concede and move on." We have learned that.

We have always championed enlargement because we know that the European Union's true destiny is not to be a counterweight to America or to shut out globalisation, but to spread and sustain freedom, democracy and prosperity throughout our continent.

Mr. Mark Hendrick (Preston) (Lab/Co-op): Does the hon. Gentleman recall that, when the Nice treaty was put before the House, the Conservatives insisted on having a referendum on it with a view to voting it down? Do not the Conservatives support enlargement like a rope supports a hanging man?

Mr. Brady: The hon. Gentleman also knows that the Government claimed that the constitution was necessary for enlargement. We did not believe that, and we have been proved right. We were also right about the Nice treaty.

The European Union has helped to nurture the development of free societies in Greece, Spain and Portugal, and that same process can now benefit Bulgaria and Romania. Romania and Bulgaria have had unhappy histories in the past century. They were fought over by the Nazis and the Soviets and enslaved by communism. It is to those countries' enormous credit that they have come so far so fast since they became free in 1990. They have had to relearn not only democracy and the market economy but the more fundamental principles that underpin a liberal society: the rule of law, tolerance and respect for freedom. It has not always been easy going for them. Nor, as I shall explain later, may they be quite there yet.

The attraction of EU membership has been of huge importance as an incentive to all the former communist countries to choose a liberal future, free from the authoritarianism that has done so much to damage that part of the world. The accession process is not an easy one. Indeed, it is far harder than it should be. Much of the so-called acquis communautaire that these countries have to adopt is totally unnecessary and, indeed, damaging. Nevertheless, it is a tribute to their leaders that the European Union has been able to accept their candidature. I also congratulate my colleague Geoffrey van Orden, the European Parliament rapporteur on Bulgaria's accession.

The Commission communication of 25 October raised a number of serious concerns about Romania and Bulgaria's readiness for the hoped-for accession date of 1 January 2007. The Minister will be aware of

Commissioner Olli Rehn's remarks—indeed, he quoted some of them. The Commissioner said that while

"over fifty per cent. of all areas monitored are non-problematic",

the Commission had serious concerns about 10 per cent. of areas. In particular, he said

"The failure to obtain even a single . . . conviction for high-level corruption in recent years . . . is a . . . serious concern in both countries."

Does the Minister envisage any prosecutions taking place before accession can be agreed?

The Commission's report states that immediate action is needed in a range of sectors if Romania and Bulgaria are to be ready for 2007. It gives many sombre specific warnings. The list is a long one:

"urgent and forceful action is needed to demonstrate the ability of Bulgaria and Romania to combat corruption effectively . . . both countries suffer from high levels of piracy and counterfeiting . . . Bulgaria and Romania do not possess sufficient border infrastructure . . . . specific restrictive measures may need to be imposed to prevent the internal security of the EU from being compromised . . . Bulgaria has failed to curb organised crime . . . here too the rule of law must be made to prevail . . . animal disease control is flawed in Bulgaria and Romania as serious diseases appear to be endemic."

That last criticism has particular salience given the current concern about avian flu. The report also doubts that either country yet has the capability to manage the structural funds to which they would be entitled. Given the Commission's long-running inability to audit its own expenditure, that is a real concern.

Mr. David: Let me make the same point that I made earlier. Does the hon. Gentleman acknowledge that, in the case of Bulgaria, the new criminal procedures court deals with many of the concerns expressed by the Commission?

Mr. Brady: It is a very good instance of the progress that has been made, but we need to see it being used, and we need to see evidence that those measures will start to bite in dealing with organised crime and corruption in both countries.

Daniel Kawczynski: My hon. Friend mentioned border security with Romania and Moldova. That is important, because a part of Moldova called Transnistria, an independent republic—I hope I have pronounced it correctly—is a very dangerous place, run by criminal gangs. I hope that the European Union provides enough funds for the Romanians to protect their border from infiltration from Moldova and Transnistria.

Mr. Brady: As I am still struggling to learn how to pronounce my hon. Friend's name, I am particularly impressed by his greater ability. He raised an important point, to which I shall return.

Every Member hopes that all the problems identified in the report can be overcome by 2007, but the Government must address the possibility that they will not be. What is the Government's assessment of the likelihood of the criteria being met? If they are not, what course does the Minister recommend? Should accession be delayed until 2008 or should the accession itself go ahead but with certain provisos, such as delayed access to the single market? If the latter, how long might the delays last?

Do the Government endorse the Commission's assessment? What conversations about that has the Minister had with our partners and with the European Commission? Is there a prevailing view among his colleagues? If one country is judged to have met the criteria but the other is not, should both countries' accession be delayed, or would the Government prefer to see their candidatures judged separately? Does the Minister consider it right that the Council could delay Romanian accession with a qualified majority, whereas unanimity would be required to delay Bulgarian accession?

Andrew Mackinlay: Why is that?

Mr. Brady: I am asking the Minister to reply to that question.

Whoever decides those questions must look both backwards and forwards. Some might say that, in certain cases, the accession criteria were assessed broadly for the great enlargement last year because the political imperative was, after so long, to make that enlargement happen. But given the immense challenges that lie ahead in respect of an enlargement involving Turkey, Croatia and the rest of the western Balkans, and perhaps Ukraine, we must not give those countries the impression that standards can be fudged. Turkey would be rightly aggrieved if we judged its success in meeting EU standards by a stricter measure than that which we used for other countries. We must make it clear that that will not happen.

Mr. Redwood: I am pleased that my hon. Friend thinks the acquis communautaire too bulky and often unhelpful. Would it not be a good idea if the Government, at the same time as negotiating with the candidate countries, tried to get Commissioner Verheugen to understand the need to cut the acquis communautaire substantially in the interests of competitiveness and prosperity in the EU?

Mr. Brady: My right hon. Friend makes an important point and that was one of the great missed opportunities of the British presidency. During Foreign Office questions earlier today, the Foreign Secretary referred to several directives that are being withdrawn, but nearly all of them do not apply to this country or are out of date in any case. The importance of identifying a great slew of things that do not need to be done by the EU has been missed, which is a tragedy.

We have looked at the issues that need to be addressed in clause 1, but the Commission's report also has implications for clause 2, which deals with regulations concerning the free movement of workers, with particular regard to the transitional period of up to seven years.

Angus Robertson: Is the hon. Gentleman aware that many businesses throughout the country depend on the hard work of Poles and other people from the last round of accession countries? Would he care to revisit the Conservatives' position at the time of that accession and say whether he thinks it was right to oppose the opening of the UK market to workers from the 10 accession countries?

Mr. Brady: I shall deal with that point. One thing that we should learn from the previous expansion is that the Government's figures and predictions were entirely wrong, not least because the UK responded differently from our EU partners. The Government have to consider how to learn from that experience and what its implications are as we approach this latest expansion.

The Home Office's predictions for immigration from the accession 10 were spectacularly wrong. In 2003, it predicted that net immigration from the new member states would be between 5,000 and 13,000 a year to 2010. In fact, in the 14 months alone between 1 May 2004 and 30 June 2005, there were 232,000 applications for the workers registration scheme, of which 220,000 were accepted.

Stewart Hosie (Dundee, East) (SNP): Will the hon. Gentleman give way?

Mr. Brady: No, not at the moment.

Keith Vaz: Will the Minister—the shadow Minister—give way?

Mr. Brady: The hon. Gentleman is previous in referring to me as a Minister. I shall give way shortly.

What are the Government's predictions for migration flows from Romania and Bulgaria in the event of expansion going ahead? How have they revised their methods in the light of how wide of the mark the previous predictions were? The accession treaty provides for the suspension of the free movement of workers in whole or in part if member states undergo or foresee serious disturbances of their labour markets. Given what has happened since May 2004, we can anticipate that many Romanian and Bulgarian citizens will want to come to Britain. There are strong economic reasons why many may want to do so. According to the Commission's most recent figures, both Romania and Bulgaria, despite their high rates of growth, still enjoy an average gross domestic product per head of only a little over 30 per cent. of that of the EU 25.

There are other concerns that the Government must take into account. The Commission's report raises the serious problems of organised crime and inadequate border controls. There is also people trafficking, which was also mentioned earlier. As the House knows, that problem is particularly severe in Moldova and Ukraine, both of which share a frontier with Romania. The Government must address that issue very seriously.

Keith Vaz: I am most grateful to the shadow Minister for Europe for giving way. He has not answered the question put to him by the hon. Member for Moray (Angus Robertson). We are concerned not about the Government's predictions, but about the hysteria generated by the Opposition at the time of the previous enlargement, which was totally unjustified. The Minister said that the Government will consider the matter nearer the time. What is the Opposition's position?

Mr. Brady: If anyone is hysterical, it is the former Minister for Europe, and not the shadow Minister for Europe. The Opposition want the Government to give a clear answer as to what their approach will be. The countries involved are quite poor when compared with the rest of the EU 25. There will be considerable pressure and the hon. Gentleman should say whether he believes that there is a limit to the amount of inward migration that the UK can accommodate. The Government do not appear to know the answer to that question.

Mr. Steen: Will my hon. Friend the shadow Minister give way?

Mr. Brady: I cannot resist.

Mr. Steen: I might be able to help my hon. Friend. Is he aware that the average wage for junior public officials in Romania is between 50p and £1 an hour? On average, policemen earn about £1,000 a year and doctors £3,000 or £4,000. Is not that part of the problem that must be addressed if Romania and Bulgaria are to become full members?

Mr. Brady: I am overwhelmed by my hon. Friend's detailed knowledge of public sector salaries in Romania. It is helpful, but we still do not know whether the Government regard that as a cause for concern. The Minister refused to say earlier. Although the Government misjudged completely the impact of the previous enlargement, he thinks that it is too soon to say what the impact of this one will be.

Given the problems, what restrictions on the free movement of workers from Romania and Bulgaria do the Government propose? The Minister said that it was too soon to decide, but he could have given some indication of the Government's current thinking. He said that a decision would be taken closer to the time, perhaps in a year, but that is not good enough. The Government must have some plans or proposals for how they might react if the accession date of 1 January 2007 is met.

Stewart Hosie: Will the hon. Gentleman give way?

Mr. Brady: No, not at the moment. What arrangements do the Government expect to have in place for the initial national or bilateral two-year period following accession? The date of 1 January 2007 is very near and, if it is to be met, the Government must have some plans and proposals.

Do the Government expect to extend national measures or bilateral arrangements for the rest of the transitional period? How will they monitor the suitability of their arrangements and what opportunities will they give Parliament to scrutinise and assess them? At a time when fears about further enlargement are taking hold in some EU countries, it is important that we make this enlargement a visible success. We need to get it right, and that means proper planning and forward thinking from the Minister and his colleagues.

Like the hon. Member for Glasgow, South-West (Mr. Davidson), the Minister will have noticed that the accession treaty allows for the EU constitution to be in force, or not to be in force, or to be abandoned. I know that the treaty was signed before the referendums in France and the Netherlands, but does not the Minister find it extraordinary that there is no acknowledgement that the constitution has been democratically rejected?

The Opposition's position on the constitution is very clear. It is dead, and it would be utterly wrong to try to resurrect it. Will the Minister enlighten the House about the Government's view? Which of the three possibilities that I outlined does he expect to apply in 2007? He could be bolder: which of those possibilities would be the Government's preference? Perhaps he will not be that bold.

The Minister will recall that one of the arguments deployed on the constitution's behalf by the Government was that an enlarged EU would collapse in chaos without it. He may remember that the Prime Minister went so far as to say that the constitution was necessary to make accessions work. We said at the time that that was rubbish. We have been proved right since and the Bill makes the point again. The EU has many problems, but its current structures are coping perfectly well with an EU of 25 members and no one thinks that the accession of two more members will make matters worse.

The constitution was not about making an enlarged Europe work—it was about another agenda entirely. Will the Minister be gracious enough to admit that that particular line of spin has been shown to be plain wrong and that the Prime Minister's words were nonsense?

Mr. Davidson. Does the shadow Minister accept that he is being a trifle ungracious in attacking the Minister for Europe on the collapse of the constitution since, as we all know, the Minister bears a heavy share of the credit?

Mr. Brady: The hon. Gentleman is always more gracious in his criticism of his Ministers than I am, and that was no exception.

The constitution is unnecessary, but other aspects of the EU should change. Its current policies, especially the common agricultural policy and the budget, are unsustainable for an enlarged Europe. Romania and Bulgaria have large agricultural sectors and the 10 new members are not yet being paid the full agricultural subsidy that they will be due—and that is not to mention the profoundly destructive effects of the CAP on the developing world and world trade.

This latest enlargement is just one more reason for further reform of the CAP and the EU budget. The Government have been exceptionally well placed to do something about that, because we currently hold the EU presidency. Yet, whether through incompetence or timidity, or both, they are doing very little. Neither the budget nor CAP reform was on the agenda for last week's curtailed summit. Worse, we were astonished to discover from written answers to me last week that the Government have failed to make any detailed proposals on CAP reform or any proposal whatever on the budget. The Government are receiving a wealth of criticism from all quarters for their handling of the presidency and it is wholly justified. There are two months of the presidency yet to run. The Government need to get their act together fast.

The EU is already creaking. It does too much and much of what it does, it does badly. It is unresponsive to what the peoples of Europe actually want. As the Information Society and Media Commissioner recently admitted, for too long it has been a project for a small political elite. We want the EU to be a success in the 21st century for an enlarged Europe. For that to happen, it must change. It must become more accountable. It must recognise that the federalist agenda of ever closer union is the fast lane to a dead end. It should return powers to the member states, where the states are better suited to wielding them. It must become a real force for open markets.

Tony Baldry (Banbury) (Con): My hon. Friend may not have noticed that there has been some chuntering during his comments that remarks about reform of the European Union have nothing to do with Bulgaria's and Romania's accession. May I put it to him that they have everything to do with it, because we are talking about what the European Union is going to look like in the next few years? In a week in which it looks as if the Doha talks may collapse because of France's intransigence over the CAP, reform of the CAP has everything to do with the future of Europe and with Romanian and Bulgarian accession.

Mr. Speaker: Order. That intervention is very helpful in giving me an opportunity to say that the Bill is quite narrow and about the two countries to which it refers. We are not having a general debate about Europe.

Mr. Brady: As ever, Mr. Speaker, I am grateful for your guidance, but it is crucial that we should bear in mind the shape and structure that will apply to the two new countries

Mr. Speaker: Order. The point I am making is that it is all right to refer to that in passing, but devoting your time to the generalities of Europe is not what I am looking for.

Mr. Brady: I am passing, Mr. Speaker, and approaching my conclusion.

The EU, with enlargement, must become a real force for open markets, free trade and a freer, safer world. The EU can become a liberating force for good in the world, or it can become an economic and political backwater. The constitution's fall has left the EU in flux. Leadership with clear vision and the skill to turn that vision into reality could set a new direction for Europe.

The accession of Romania and Bulgaria is an important part of our vision for a wider, more flexible EU. If those countries can meet the criteria for membership, it will be a triumph for them and a cause for celebration, but very real concerns remain about the readiness of the candidate countries and the Government's approach. We shall continue to monitor progress and to press the Government to ensure that both countries fully meet all criteria before accession takes place. We look forward to welcoming Romania and Bulgaria as members of the EU, and that is why I shall ask my right hon. and hon. Friends to support the Bill this evening.

Andrew Mackinlay: Will the hon. Gentleman give way?

Mr. Brady: No, because I am moving to the conclusion of my remarks, but it is always a shame not to hear from the hon. Gentleman.

[Mr. Brady]

It is important to recognise that much hard work remains to be done to demonstrate that those countries are finally ready for membership. Their progress to date gives grounds for optimism. I hope that the support of this House will give them further encouragement.

4.30 pm

Mr. Doug Henderson (Newcastle upon Tyne, North) (Lab): I strongly support the Bill, because I strongly support the principle—and, I hope, the practice—that Romania and Bulgaria should be given the opportunity to join the European Union. It will not be an automatic process, as earlier exchanges between the occupants of the Front Benches showed.

It is not easy to meet the acquis, and it will be difficult for Romania and Bulgaria, just as it was for the other countries of eastern Europe. It is not only the politicians and the bureaucrats of the countries, but the people who need to be inspired to meet the acquis. The challenge now is even more difficult than it was five, six or seven years ago, because at that time it was conclusive that joining the EU was the right thing to do. In 1995, 1996 and 1997, the EU was a forward-looking organisation that played an important role in the world, with strong economies—especially in Britain after 1997—and a sense of social responsibility and common purpose. So it was easier to inspire the people of the countries seeking to accede to the European Union with the conviction that it was the right thing to do.

In today's climate, the people of Romania and Bulgaria will ask the same questions, and will have to weigh up whether the gains will be greater than the doubts. I have no doubt that the gains will outweigh the doubts, but before the people of those countries reach that conclusion they will ask several questions about accession and the EU. Those questions will be similar to those that are being asked in Britain and the other member states.

I recall visiting Bucharest in 1997 and talking to people on the streets. They were very conscious of their country's history over the past 40 years. They supposedly lived under communism, although I think that they lived in a state that was nearer fascism—it is a matter of political definition. They had no freedoms, there was little collective social responsibility and the state was isolated. That was not just political theory; it felt very real when walking the streets of Bucharest. I was there on a wet November day—it bore some resemblance to parts of Newcastle or Glasgow on a bad day—and noticed all the Soviet-style buildings that had been imposed on Romania, which is Francophile, if anything. Public services were poor and there were many beggars and other obvious signs of poverty on the streets. There was also a clear sense of corruption and a fear of being caught out, because if that happened, those exercising the corruption could impose their will on the individual concerned. I remain convinced that the people of Romania—I suspect that the same is true of the people of Bulgaria—wanted to put that behind them and look forward to a better way.

That was what people were looking for then, but judging the specifics today—this is my main point—is not so straightforward. Things have improved in Romania and Bulgaria as they move towards the acquis and become more involved with the rest of Europe and the world, but there are, of course, still gaps that must be filled in meeting the acquis.

Mr. Hendrick: My hon. Friend describes today's EU as something quite different from the EU of 1997, when he was Europe Minister. I certainly agree with him, but is not the difference that whereas the EU, with the accession of Austria, Sweden and Finland, was then a rich man's club, since the last accession in May last year people are looking at the EU as something other than a rich man's club and are beginning to wonder whether they want to pay the bills?

Mr. Henderson: My hon. Friend's observation is right. I would make the further observation that, although he and I think that extending the rich man's club is desirable, there are arguments among the rich men about how much they should pay and what they should get. That is one of the things that people are looking at in Romania, and I hope to say more about that, although I do not want to abuse the time available.

The people whom I met in 1997 were told that the EU was about common purpose, being positive and so on. Today, they will be assessing that against how they see what is happening in the EU from the south-east of Europe. They will be looking at issues such as the constitution. For me, the constitution was about managing the EU better. That view is not held by all hon. Members. Hon. Members on both sides of the House believe that the constitution was about the EU's powers and the relative powers of the different EU institutions. We have the luxury, in a civilised and relatively prosperous place, to look at the EU like that, as part of a genuine political debate, but it is not a matter of life and death; nor is it about the future of our society.

For people in Bulgaria and Romania, this is a matter of the future of their society, and we have already heard about the economic power of those countries and their GDP per capita. They are asking what accession will mean. I do not know whether they saying that the powers will change, or whether they are looking for a better management structure, but that question will be asked keenly, especially when the various technicians in those countries consider how to meet the acquis. They will also consider the budget. They will say, "We are relatively poor people. What will being in the EU be like for us? Do we know the budget's overall size?"

We probably do know the budget's size—we have debated the 1 per cent. figure in the House before—and people in Romania and Bulgaria in south-east Europe will look at the EU and say, "We know the budget's overall size." Pleasingly, they will be able to see that virtually everyone in the EU is committed to moving the funding away from western Europe and towards the eastern European side of the EU. However, they cannot yet work out what will happen between 2007 and 2013—to which reference was made during Question Time—so although they will know that they will not be major contributors, they will not know how much they will receive to develop their economies and their society. That is an important issue in Romania and Bulgaria, when we are trying to persuade people that the EU is a good thing and that there is a need to work hard to meet the acquis.

People in Bulgaria and Romania will also ask about the implications of other questions. If they join the EU, how will they relate to their neighbours? Will Croatia or Turkey become part of the EU in the future? What policy implications will that have for Bulgaria and Romania? Those questions are not yet answered, but looking from south-east Europe, both the Bulgarians and the Romanians can say that there is a relatively enlightened view about those matters. There is a willingness to extend the EU into areas such as Croatia and Turkey, but what the conditions will be and which acquis they must meet are unknown. However, that will generally be a positive thing when people in Romania and Bulgaria consider how they might achieve the acquis.

The most important thing for the people of Romania and Bulgaria will be the fact that joining the European Union will lead to an irreversible shift in the political situation in which those countries and peoples find themselves. If they join the European Union, they will know that there will be no return to the communism or neo-fascism that led to all the horrors that they had to face for 30 to 40 years. The people of Romania and Bulgaria will know that joining the European Union will mean one zone, one political culture, one democracy and one set of human rights, and that will convince them of the necessary way forward.

Sir Menzies Campbell (North-East Fife) (LD): The hon. Gentleman is giving the House the benefit of an extremely thoughtful analysis. In preparing himself for giving that analysis, did he consider the alternative for those countries? If they did not become members of the European Union, it would be difficult to envisage how they would break out of the cycle of corruption and inadequate economic development.

Mr. Henderson: I agree with many matters that the right hon. and learned Gentleman raises—I find myself in that camp again today. There is no democratic alternative for those countries in the medium and long term. If accession negotiations failed with Romania, Bulgaria and the other countries to which we have referred, they would have nowhere else to go, unless an undemocratic totalitarian tendency emerged in south-east Europe.

People will look at the strengths of the European Union. The strong fight against terrorism and unity against terrorism are strong aspects of the Union. Given the Union's unity when helping the rest of the world to come on board economically through various forms of assistance and aid, countries such as Bulgaria and Romania could explain to their people that they would be joining a worthwhile organisation.

I have no doubt that when the people of those two countries consider the issues—assuming that they meet the acquis—they will think that turning north-westwards will mean that they can end their isolation and bring themselves into a democratic world. They will have a guarantee that the EU will insist on human rights being maintained in their countries, if they cannot do that themselves. They will have a better opportunity for economic prosperity than they would have otherwise. I thus hope that the House will give the Bill its Second Reading.

4.42 pm

Mr. Nick Clegg (Sheffield, Hallam) (LD): The Bill underlines an intriguing paradox. It is the latest step in a remarkable process of enlargement that the European Union has successfully prosecuted almost in spite of itself. Economic gloom has been prevalent in the European Union and there have been disagreements about foreign policy issues, such as Iraq. The ill-fated constitution has collapsed and there is malaise among EU institutions. Despite that, the European Union has somehow remarkably managed to expand in a few short years from roughly 350 million citizens to about 475 million citizens, and with the accession of Romania and Bulgaria the figure will soon be just over 500 million. By anyone's reckoning, that is an extraordinary triumph of hope over pessimism.

Enlargement has always been driven by the geostrategic good sense of consolidating liberal democracy throughout Europe—I say that in a non-partisan, if somewhat wistful, fashion—and the moral duty to reunite a divided continent. It is thus ironic that such good sense and moral purpose seem to have prevailed at exactly the time when the European Union has been fractious and introverted, as has certainly been the case in recent years. While getting Bulgaria and Romania up to the starting line and launching the process of enlargement has been a remarkably positive process, one big question looms: how do we make enlargement and an enlarged European Union socially, politically and economically sustainable? Many difficult questions are therefore posed of existing members of the European Union, as well as the new applicants and members.

I have two general observations and one specific observation. First, enlargement and an enlarged European Union, as some hon. Members suggested, will not be possible unless the public and political case is made to electorates throughout the EU in more forceful terms than has been the case hitherto. We have seen the profound sense of unease and anxiety among electorates in other parts of the EU when voting on the European constitution, in which unrelated and, in my view, unfounded fears and anxieties about the process of enlargement were brought to bear on the debate.

We like to think that public opinion in this country is solid and uniformly enlightened. However, as the prospect of, for instance, Turkish membership hoves into ever closer horizons, I suspect that public opinion will equally prove to be more volatile than has been the case until now. Advocates of a more diverse and wider EU have a great incentive to unite to make the case not only for Romania and Bulgaria's accession, but for potential members elsewhere, lest we allow fear and anxiety to overshadow the benefits of enlargement more generally.

My second observation is that Romania, Bulgaria, the 10 countries that joined in May 2004, Turkey, if it were to join, and any other potential applicant will not find that the EU provides the benefits for which they hoped if there is not a greater consensus about what the EU should and should not do. It is unrealistic to imagine that a highly integrated political and economic club of such a size and diversity as the EU—now 25 members, soon to be 27, and no doubt more after that—can act effectively if it is afflicted by constant internal political bickering. That will take time to overcome.

[Mr. Nick Clegg]

The EU is in a moment of transition from one form of integration to another. No one on any side of the debate quite knows what that pattern of integration will be in years to come. We may require a new generation of political leaders. Change has already occurred, if in somewhat half-hearted fashion, in Germany. It is likely to take place in Italy, France and this country, too. Whoever is in charge in the future needs to re-create a consensus that has been lost. Without that consensus about the fundamental purpose of the EU, the glue that is necessary for such a diverse club to hang together will disappear. The risk of long-term disunity—I suggest mischievously that that might be why some advocates of enlargement have always been so supportive of it—in an organisation with such a large membership is real and needs to be addressed.

Kelvin Hopkins: I am interested in what the hon. Gentleman says. Is not the serious division at the heart of Europe about economics, as the elite try to thrust on it a neo-liberal version of the economy that people do not want? If we could agree on a more relaxed social democratic approach, it would be much more popular with everyone.

Mr. Clegg: I do not recognise that characterisation of the debates, which undoubtedly exist, about economic policy. If one compares any of the EU social and economic models with what exists in north America, one would have to agree that there is a degree of unity in the mix of economic and social policies that is, perhaps, a little more progressive than the hon. Gentleman's pessimistic analysis suggests.

The process of accession must be rigorous, credible and thorough. That is why I applaud the rigour and detail of the European Commission's report on Bulgaria and Romania. It is not fashionable to praise the Commission, but anyone who reads its report will be impressed by the detail and independence with which officials assessed the validity of the claim from Romania and Bulgaria to join.

It would be a disservice to Romania and Bulgaria, let alone the rest of the European Union, to let them in unprepared. There is always some risk when allowing new member states into the EU because they make promises today which will not be fulfilled tomorrow, next year or for a number of years. One is necessarily making a bet, but the trick is to minimise that risk. That is why I urge the Minister to take very seriously the warnings and the potential use of safeguard measures set out in the Commission's report.

I urge the Minister also to address himself to the crucial question raised by the hon. Member for Thurrock (Andrew Mackinlay). There is an unusual safeguard mechanism that would allow the Council of Ministers, on the back of a report from the European Commission in, I think, spring next year, to defer final accession for another year, but that is not much of a threat if it is merely a deferral by 12 months of a process that will then conclude on 1 January 2008. I am a passionate supporter of Romanian and Bulgarian accession, but I believe that this is when we have the greatest leverage over political developments in those countries and, as the Commission's report has highlighted in sometimes chilling detail, there is a great deal to be done.

I urge hon. Members to look at page 7 of the report, which covers everything from the total lack of enforcement of animal welfare rules and the absence of the administrative capacity necessary to absorb EU structural and agricultural funds to the lack of the rule of law in dealing with corruption. It says of the latter:

"The unambiguous enforcement of the rule of law is a precondition for any country aspiring to EU membership",

yet the analysis clearly shows that such enforcement is absent. Concern is also expressed about the lack of border infrastructure. The report says:

"Specific restrictive measures may need to be imposed to prevent the internal security of the EU from being compromised."

Enormous change will need to happen in Romania and Bulgaria for those things to be remedied.

Angus Robertson: Has the hon. Gentleman happened on the parts in both reports that highlight the challenges both countries face on the treatment of minorities, not least the Roma population? Does he hope, as I believe he does, that those countries will do everything in their power to solve a deep-seated, if not centuries-long, problem? Not much time is left to change quite a lot in both countries.

Mr. Clegg: Indeed. That is merely one on a long list of outstanding issues that need to be dealt with in Romania and Bulgaria. It reinforces the point that if one wants to encourage those countries to make those political reforms, and to apply pressure, one needs to exercise leverage at the best time, which is now. The effect of that leverage will be blunted if accession is guaranteed—it may be a guarantee that is deferred by 12 months, but it is a guarantee nevertheless.

Mr. David: The hon. Gentleman is making some good points, but does he accept that there is a slight danger of being too strict—stricter on this occasion than we were during the last accession process? I am thinking particularly of how Slovakia was dealt with. Is there not a danger of unequal treatment?

Mr. Clegg: I imagine that it would be difficult to apply a perfect measure of consistency. In the last process, 10 countries were allowed to accede in one bloc, and there is inevitably greater scrutiny when only two countries are under the microscope. That in no way diminishes the objective importance of dealing with all the administrative, social, legal and ethnic issues in the way laid out so clearly by the Commission.

In the next few years—it may be later rather than sooner—the House may find itself debating Turkey's membership of the European Union. That will be an altogether more complicated and controversial exercise than this debate. It will not be possible to have a rational political debate about such a controversial step as accepting Turkey into the EU if the rigour and credibility of the enlargement process has not already been proven. The manner in which we examine Bulgaria and Romania's case and decide over the next few months whether those countries should join and on

what terms sets an important precedent for the debate that we shall no doubt have in some years to come on Turkey.

With those caveats in mind, I conclude by saying that my right hon. and hon. Friends and I strongly support the Bill's Second Reading. We hope that the rest of the House will join us in doing so.

4.55 pm

Mr. Kevin Barron (Rother Valley) (Lab): I am pleased to take part in the debate. I have had a long-standing interest in Bulgaria and its people over many years. I first travelled to the country in 1985 as a member of an Inter-Parliamentary Union delegation. It was the first democratic centralist country that I had visited. I was not enamoured of its politics, but I was enamoured of its people—that was my experience and that of my colleagues—and I have kept in close contact with Bulgaria ever since. On my return I was asked to be an officer of the all-party Bulgaria group. I accepted that invitation and for the past decade I have been the chairman of the group.

I hope that the House will forgive me for talking about Bulgaria in terms of my views on what has happened there. I have visited Romania, but I have more knowledge of Bulgaria. While the hon. Member for Altrincham and Sale, West (Mr. Brady) is in his place, I should say that I had not intended mentioning workers from those countries coming to the UK. The hon. Gentleman will remember, however, that last year there was a big row about work permits being issued to people from Romania and Bulgaria. I remember that the Opposition sailed the Sheffield whistleblower into a television studio to say how awful the system was. My right hon. and hon. Friends on the Government Front Bench then initiated an investigation into the issuing of work permits to people from Romania and Bulgaria. As a result, a hold was put on applications.

Within about two weeks of that decision being taken I received a phone call from an agency—I suppose that that person would be called a gangmaster—in Essex. I also received a call from Sofia. I convened a meeting because there was a crisis in Essex at the time. The gangmaster from Essex attended the meeting, as did a gangmaster who had flown over from Bulgaria. There were three Conservative Members present, who had come along because of the mess in Essex agriculture. It was fruit picking time and all the permits under the temporary agricultural workers scheme had been stopped.

There had long been links with Sofia university, and for many years, under different Governments, students studying English at that university came to Essex to work as fruit pickers. They would earn some money and learn English in, as it were, the mother country. There were terrible problems at the time. I brokered a deal that involved the right hon. Member for Haltemprice and Howden (David Davis) and my right hon. Friend the Member for Kilmarnock and Loudoun (Mr. Browne), who is now a Minister. I phoned them to explain that if we relaxed the stop on the temporary agricultural workers scheme so that the students could come to this country and the fruit could be picked, everything would be all right—and it would also ensure that there would not be another row in a television studio. As far as I am aware, the solution worked very well.

There are strong links between Romania and Bulgaria and the United Kingdom. There is no great threat from people from either country coming to work in the UK. Many people from those countries do so now, and many have done so for decades.

Stewart Hosie: On the broader point of making Europe more and more competitive, particularly in relation to the United States, labour mobility should be encouraged and supported. Our concern should be driven mainly on levelling up trade and professional qualifications, rather than trying to debar skilled, talented and enthusiastic workers from not only the UK but the rest of Europe, not least to fill the skill gaps that many countries have.

Mr. Barron: That is quite true. Unfortunately, we do not hear such debates on EU legislation.

As I said, my connections with Bulgaria go back 20 years, as I first visited the country in May 1985. My second visit was in 1990 as an elections observer, and that was followed by another two visits with the Inter-Parliamentary Union in the 1990s, when we saw genuine changes in the nature of politics and political parties. The Union of Democratic Forces came on to the scene in the early 1990s. The only part of its ideology that I could grasp was the fact that it was anti-communist—I did not know where it stood either economically or on anything else. However, it was testing the changes that were taking place. In 1985, Tzum, the big supermarket in Sofia, had plenty of things on its shelves, but in the 1990s there were only broken biscuits. Because of the country's closeness to Russia, its economy was shattered by the changes in eastern Europe and it took a long time for it to recover.

There have been many changes of Government in Bulgaria, all of them affected by changes in an economy which, with the exception of the past five years, was in a negative condition. Elections were held in June this year, when there was a fightback by the Bulgarian Socialist party—the new name for the Communist party. In 2000, I was invited by General Secretary Sergei Stanishev, who has since been appointed Prime Minister, to his party's congress. I went to Bulgaria on a family holiday and stopped at Sofia for the 45th congress of the BSP—quite an achievement, because the party had existed for only eight years. International observers, however, witnessed genuine debate in the BSP among old communists and new members such as Sergei, about the need to change both their ideology and their view of the outside world.

There have been changes both in Bulgarian political parties and in the nature of the country's Parliament. After my visit in early June 2002 to the BSP congress, I was invited to visit the country as a guest of the British embassy and the Westminster Foundation for Democracy. On 1 July, I made a speech on ethical standards in public life and the experience of the British Parliament. I arrived early, however, to participate in a weekend seminar with Bulgarian Members of Parliament on standards and privileges. The day before I was due to give my speech at the embassy, I was asked to give an interview to a daily newspaper in Sofia. I was asked about standards in public life, but suddenly the reporter asked what I would do if traffic police impounded my car. A Bulgarian MP had had a

[Mr. Barron]

falling-out with the traffic police after his car was impounded. He went to the pound and demanded its return, banging his fist on the counter. He was caught on CCTV, and was hounded by the media about the incident. I told the reporter that such behaviour would not be allowed in Britain, as Members of Parliament could not get away with using their influence in such a way. Two days later, a motion was passed in the Bulgarian Parliament to introduce a standards and privileges committee based on the British model. That Parliament has therefore learned a great deal from us over the years.

Mr. Steen: We thank the hon. Gentleman for giving us a guided tour of Bulgaria, which we find fascinating, but may I bring him back to the subject of the debate? I have never been to Bulgaria, although, having heard what he says, perhaps I will go. Is he not concerned about the Commission's report that organised crime in Bulgaria is increasing? My hon. Friends and I are worried about what will happen when Bulgaria enters the EU, unless certain Chinese walls are put up by the Commission to prevent organised criminals moving west.

Mr. Barron: I know I have gone on a bit, but I will come to that topic before I sit down.

The UK is the third largest investor in Bulgaria: Some of our major firms are there. Through the all-party group, I have contact with British businesses based there and I have been there to talk to British business men in years gone by. Last year 259,000 British tourists visited Bulgaria, not just to ski or for the sun—many are buying property in Bulgaria. Many of our constituents now have property there.

No one would deny that Bulgaria has problems, particularly organised crime, which is dominated by several large criminal groups whose activities are accompanied by turf wars and inter-gang violence. Just last week there was a shooting incident in Sofia. Other speakers have mentioned the problems of Bulgaria's borders. There is no doubt that the country is a transit area for the smuggling of people and drugs from Afghanistan into Europe.

Hon. Members should not think that no effort has been made to stop drug trafficking from Afghanistan through Bulgaria. I have spoken to our agencies, which have worked with the Bulgarian authorities for years to put a stop to that. There are problems with the movement of drugs in this country as well, which we find difficult to control. It is said that only 5 per cent. of what comes into the UK is caught, but no one knows whether that is the true figure.

Several hon. Members mentioned organised crime and the steps that Bulgaria is taking to tackle it. The Commission's report earlier this year considered the problems in some detail. The Bulgarians do not deny that problems exist—far from it. In *The Economist* this week there are comments from the Prime Minister about the situation there. Bulgaria had elections in June, but it was not until September that a Government were formed from a coalition of three parties. Consequently, legislation that would go to the heart of the Commission's report has been delayed.

The new criminal procedure code that was mentioned was adopted by the national Parliament on 14 October. The code avoids any overlaps and ensures that the pre-trial system is efficient and transparent. Nobody denies that there are problems with the judicial system—there certainly are. In addition to the criminal procedure code, which is expected to be introduced in six months, another positive development has been the reform of the pre-trial phase and the decision of the constitutional court, which was taken on 1 September this year. There is also a new draft law on the Ministry of the Interior, which was adopted on its first reading by the national Assembly on 6 October 2005.

Bulgaria's efforts to sort out its problems should not be dismissed. It is working to do so with the help of the Commission, the UK Government and some of their agencies, and other EU Governments and their agencies. There is a determination to overcome their problems. No one should doubt that Bulgaria and Romania will join the EU. We have accepted that. The debate now is about whether it will be in 2007 or a year later. There are many problems, one of which involves the Roma people in Romania, which I have seen at first hand on more than one occasion. We deal with similar problems on a smaller scale in some of our communities every day of the week.

The biggest event in my political life was not entering the House, but the fall of the Berlin wall, getting rid of ideology in Europe, and the change in our lives. I welcome the further step of Bulgaria and Romania's accession, which will be a change for ever.

5.10 pm

Rev. Ian Paisley (North Antrim) (DUP): I shall not deal with Bulgaria, but I shall deal with Romania, with which I have had personal contacts for a very long time. I give a broad welcome to the fact that both countries are applying for membership of the European Union. I strongly believe in the widening of Europe, but I am not so sure about the deepening of Europe. However, that is a debate for another day. No wonder the Minister for Europe smiles when I say that.

If one country in the whole of Europe needs our help, it is Romania. It has endured a very difficult period. I am afraid that the whole story will never be written of the sadness, sorrow and persecution—especially religious persecution—that its people suffered. There is a strong Baptist denomination in Romania, and the Baptists were at the receiving end of much persecution. One of the leaders of the Baptist union showed me a calendar on which the birth of Christ had been removed and in its place put the birth of the dictator who ruled the country. If they had not agreed to that, no calendar would have been allowed to be printed.

A friend of mine is very fluent in the English tongue and he was offered a good position as an interpreter. He refused, because he was handed a script that differed from what the person said. It was written by the dictator and put into the mouths of officials and consuls from other countries, and he had to read it. His punishment was that his wife, a doctor who worked in a hospital some five miles from the capital city, was ordered to walk to and from her work every day. She had to rise early every morning and walk five miles, and then walk five miles back every night after a gruelling time. One of the main Baptist churches that enlarged its premises was refused the right to have any toilet accommodation.

Those were the persecution tactics of a regime that, thank God, is no longer there. But some of its fellow travellers are still there and they are not keen on seeing democracy and freedom in their fullness. I welcome the fact that Romania is going to make its way towards alleviating long years of sadness, sorrow and bitterness. I should like that to be encouraged, but it must be encouraged along the right road. The facts show that there are great difficulties in Romania. It is estimated that the country lost $2.5 billion over a few years due to the levels of corruption. From January to October 2002, more than $1.5 billion was illegally transferred abroad. Crime is at a high rate, with masterminds of evil behind it. Romania needs all the help that it can get.

I am not enamoured with the Commission. I sat for 25 years in the European Parliament, and the Commission could have done a lot more to deal with fraud in its own offices, but it refused to act. A former leader of the Labour party was put in charge of tackling fraud, but he was unable to settle the matter, so the fraud went on—if he could not settle it, it must be dug down into the ditches and well covered over. This House must say to the Commission that if the Commission is going to inspect others, it should inspect itself and put its own house in order, which would give us more confidence.

No hon. Member, and especially not those of us who want the EU to be broadened, wants to keep those two countries out of the European Union. By broadening the EU, we will have far more freedom than by deepening it and by tying it into our constitution, which would form a straitjacket. That is a debate for another day and I fear the eye of Mr. Deputy Speaker, who may even whisper to the Clerk—once the Clerk and Mr. Deputy Speaker get together, it is goodbye—[*Laughter.*] I have heard that laughter for many long years.

In conclusion, we wish those two countries well. They are taking steps that will be opposed even in their own circle, but they are taking them because they see a better way ahead. We also wish the Minister well. He has been honest at the Dispatch Box and has faced up to the issues. I hope that I am still in this House to welcome those two countries into a Europe that is really free.

5.17 pm

Keith Vaz (Leicester, East) (Lab): I am certain that the hon. Member for North Antrim (Rev. Ian Paisley) will be in the House when Romania and Bulgaria join the EU, because, as far as we know, there will be no general election until 2010. I congratulate him on his forthcoming elevation to the Privy Council.

It must be a special Bill to unite the Ulster Unionists, the Social Democratic and Labour party, the Labour party, the Conservative party, the Liberal Democrats, the Scottish nationalists, the Welsh nationalists and everybody else. I have a feeling that there will not be a vote tonight and that the Bill will proceed with all parties consenting to the accession of Romania and Bulgaria, but things might happen between now and the end of the debate, so we must wait and see. When previous accession Bills were presented to the House, they were passed with substantial majorities and no one opposed them.

The hon. Member for Altrincham and Sale, West (Mr. Brady) has left the Chamber, but earlier he said that the Conservative party has always supported enlargement. My hon. Friend the Member for Preston (Mr. Hendrick) reminded him that the present chairman of the Conservative party—for the time being—was shadow Minister for Europe at the time of the Nice negotiations and was very much in favour of a referendum on the Nice treaty, which would have blocked the countries that joined so successfully on 1 May 2004. I know that memories are short, but it is worth remembering that fact.

This Government have always championed enlargement. Since the Prime Minister took office in 1997, he has mentioned EU enlargement in every speech that he has made in continental Europe. In particular, he set out what type of Europe he wanted to see develop in his speech in Warsaw in 2000, when he made it clear that it would be a prime achievement for this Government if Poland and the other countries then applying were allowed to join, which they did in 2004.

We are welcoming Romania and Bulgaria a little late because they started their negotiations at exactly the same time as other countries that have subsequently joined. My hon. Friend the Member for Newcastle upon Tyne, North (Mr. Henderson) was right to remind us that the process is difficult and laborious. He was also right to commend those countries for going through the acquis communautaire to such an extent. Of course, all 35 chapters have to be agreed to and fulfilled; the acquis must be completed in full.

Congratulations are due to my right hon. Friend the Minister for Europe. We are in the middle of our presidency, which some have described as low key, but I believe that it has been extraordinarily successful. We are not only presenting the accession Bill on Bulgaria and Romania to Parliament earlier than many of our partners—only three other countries, together with the European Parliament and Romania and Bulgaria, have ratified—but the Government decided on 3 October to switch on the green light for beginning accession negotiations with Turkey and Croatia. To paraphrase the hon. Member for North Antrim, I hope that I am in the House—I know that the Minister will be because he is much younger than me—when the accession Bills for Turkey and Croatia are presented to Parliament.

All the arguments have been eloquently expressed by the hon. Member for Sheffield, Hallam (Mr. Clegg), the Minister, the shadow Minister for Europe and others about the importance of Bulgaria and Romania joining a united Europe, which provides a huge trading area. Those countries have been our partners for many years. I do not know as much about Bulgaria as my right hon. Friend the Member for Rother Valley (Mr. Barron), who had to leave the Chamber to chair the Yorkshire group. He spoke with great knowledge of Bulgaria. When I was Minister for Europe, I visited it for only eight hours. Similarly, I visited Romania for only seven hours. When one is a Minister in those circumstances, one never quite gets a feel for the country. However, as those countries approach their accession, I imagine that there is a great deal of hope about their entry into the EU.

The right hon. and learned Member for North-East Fife (Sir Menzies Campbell) asked my hon. Friend the Member for Newcastle upon Tyne, North what the alternative was. It is, of course, staying out, which means being isolated. When so many people are prepared to criticise the EU, why is there a queue of

[Keith Vaz]

countries waiting to join? The hon. Member for Sheffield, Hallam reminded us that we are always debating a crisis—the European constitution, which the French rejected, problems in European policy, no agreement on the budget and so on. Everyone tries to exploit the problems in the EU but today we are discussing a genuine good news story, which will greatly benefit the people of Europe and ensure that, at last, we can share our experience throughout the continent. As we all know, Romania and Bulgaria will not be the last countries that want to join the EU.

Clause 2 deals with the worker registration scheme. I am glad that my hon. Friend the Minister for Immigration, Citizenship and Nationality is present because he replied to a parliamentary question from me on 11 July, saying that he did not believe it was appropriate at this stage to review the scheme, although a review was promised for two years afters its introduction on 1 May 2004. My hon. Friend offered me some good news: there is no backlog in dealing with the scheme—most of the applications are processed in a few days and 90 per cent. are processed in four weeks. That is a great credit to the Home Office, with which I and others hon. Members, including the Minister, who have heavy immigration case loads, often find cause for concern. The scheme works quickly and that means that decisions are given quickly.

I was very much against the scheme when the Government introduced it. I felt that there was no need for a registration scheme if we were sending out a message to new member countries that they were equal partners with the United Kingdom and that their citizens should have the same access to our country as ours have to theirs. At the time, there was hysteria from the Conservatives—

Daniel Kawczynski: No!

Keith Vaz: The hon. Gentleman says no, but there was hysteria. The Conservatives said that all these people would come over from the 10 countries and steal our jobs and those of our families and children, and that they would cause havoc in our inner cities and all go on benefit. It was going to be a disaster. Oh, it was going to be dreadful! The Leader of the Opposition was even proposing to go to Luton airport to make a list of all the people arriving from Warsaw or Krakow.

In fact, none of that ever happened. We had a highly successful enlargement, involving 232,000 people coming here. Of those, 1,700 applied for income support or similar benefits, but only 800 were granted those benefits. The others were refused. So, according to the figures that I have received—I am sure that the Minister will correct me if they are wrong—only a handful of those 232,000 people have gone on benefits. What are the rest doing? I have heard that they are doing great things in Essex, and I know from what the hon. Member for Moray (Angus Robertson) has said that they are doing great things in Scotland. I also know that they are doing great things in my city. They are European citizens who are contributing to the economy of our country and thereby making our country stronger.

German and French Ministers must be kicking themselves that they did not show the foresight and leadership that was demonstrated by our Ministers in making this decision. If we believe in a Europe that treats all its countries as equals, we must also treat the citizens of those countries as equals, and that is what the United Kingdom has done. That is why there is so much good will when our Prime Minister goes to the Council of Ministers—as he did at Hampton Court recently—and why the new members of the European Union treat our country with such respect. They know that we have shown leadership on this issue.

Daniel Kawczynski: The hon. Gentleman says that the Conservatives made a real fuss about all these Poles coming over. I speak as someone of Polish background, and I know that the total freedom for Poles and people of other nationalities to come over is causing a great many problems for services in their own countries. There is now a severe shortage of dentists and nurses in Poland because they are all coming over to the United Kingdom—

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. It would be helpful if we tried to look forward rather than back. The scope of this debate is very narrow, and I do not think that we should dilate too far beyond its boundaries.

Keith Vaz: Mr. Deputy Speaker, I was definitely not going to dilate on this point. However, I should like to answer the hon. Gentleman. He has a huge role to play in his party because of his background. First, he needs to tell to the hon. Member for Altrincham and Sale, West how to pronounce his name, because the hon. Gentleman said that he did not know how to do so. Secondly, the hon. Member for Shrewsbury and Atcham (Daniel Kawczynski) and all other hon. Members have a role to play in ensuring that our constituents understand the benefits of the enlargement outlined in the Bill. This is not just about passing a Bill in the House. It is also about campaigning on the issue of enlargement, and we need to ensure that that happens. The hon. Gentleman has a role to play in ensuring that it happens in his party.

On clause 2, I know that the Minister needs to consult the Home Office, and that the Home Office will have to consult the Department for Work and Pensions, but I believe that we need to be much clearer on the issue. I know that my right hon. Friend cannot make a decision on it today, or give us an answer on it when he winds up the debate. This involves a long process, but it is important that we have clarity on the matter. He says that we must wait until nearer the time of the accession of Romania and Bulgaria for a decision to be made, and I understand why he does so. All that I ask is that we do not wait until a few weeks before accession, by which time the Opposition will have built up the kind of hysteria that we have just heard in the speech of the hon. Member for Altrincham and Sale, West. He spoke of the relatively low wages of policemen, and the hon. Member for Totnes (Mr. Steen) reminded us of the low wages of other people.

That will build up over the next two years. We must lance the boil at an early stage. I know that we cannot have a decision now, but it is in the interests of Romania and Bulgaria, in the interests of our entry clearance operation and in the interests of the Home Office, which still has to deal with the cases of people from Romania

and Bulgaria—principally the Roma who are already in this country and seeking asylum—for the matter to be clarified to some extent. Let us not leave it until everyone becomes hysterical again; let us have a decision as near as possible to the final decision. Otherwise we shall be left where we were on 1 May 2004, rushing legislation through the House and causing upsets among our European partners just before they come into the European Union. Clarity would be very helpful.

My final point is the one made by the hon. Member for Sheffield, Hallam. We must engage with the British people on the European issue. I know that the Minister has travelled a great deal over the last six months, and he performs his job superbly as the champion of enlargement. I raised this point in passing with the Foreign Secretary during Question Time today. It is all very well going to Alabama and bonding with Condoleezza Rice, but we have the presidency at least for the next eight weeks. We are pushing forward legislation before most of our EU partners. Let us engage with the British people. I know that it will be difficult to do it before the end of the year, but let us go out and campaign on Europe. Let us be proud of being good Europeans, and let us continue to show the leadership that we have shown over the past eight years in Europe so that we can fashion the future according to our vision of what we want to happen.

5.32 pm

Tony Baldry (Banbury) (Con): Until he started dilating, the hon. Member for Leicester, East (Keith Vaz) made rather a good speech.

I think that we should see enlargement as a significant success not just for the European Union, but for United Kingdom foreign policy over a number of years. When Britain, under Harold Macmillan, first applied to join the then common market, Charles de Gaulle—who vetoed our application way back in 1963—explained that British accession would mean

"another common market . . . one that would be taken to 11 and then 13 and then perhaps 18 . . . It is not at all what France is doing or wants to do."

One of his Ministers, Jean-Marcel Jeanneney, added that if the grouping expanded beyond its original six members it would become a more free market, closer to the United States and increasingly Anglophone. In all those respects, he has been proved right. The European Union has spent much of the past 20 years liberalising markets and admitting countries—Nordic or eastern European—where English is established as the second language. I think we should see enlargement not only as something inherently democratic that has widened the European Union, but as something that has benefited the United Kingdom as a whole and enhanced our collective vision of Europe.

We should also recognise, however, that enlargement of itself is not enough. I have been in the House long enough to see a number of accession Bills, including the one that enabled Spain and Portugal to enter the European Union. There is a danger that we shall leave the debate having accepted this Bill's Second Reading without a vote, feeling a warm glow about the forthcoming entry of yet another two countries to the European Union. We must recognise that a phenomenal amount of work has to be done within the EU, and with that in mind I shall make two brief points, the first of which concerns competitiveness.

There is no point in bringing countries such as Bulgaria and Romania into the EU if we are to fall behind other parts of the world. It is very good that the Prime Minister and other Heads of Government paid attention to this issue last week at Hampton Court. However, we have to look to markets such as China, and to recognise that certain EU labour markets are in severe danger of becoming sclerotic. We must recognise that no one in the world owes Europe a living; we have to compete with the rest of the world.

Secondly, unless we can learn how to reform the EU, we will never make any progress. Perhaps the most important thing that will happen between now and the Christmas break is the World Trade Organisation negotiations in Hong Kong. Last week, the French finance Minister—not the French agriculture Minister—made it clear that the common agricultural policy as it stands is a foundation stone of Europe that cannot be changed in any way. He used dramatic language, saying that if the CAP were reformed in any way, we would have future pandemics. I recommend that Members read the report of his comments in the *Financial Times* of 27 October.

We are not seeing any significant movement from the EU on the WTO negotiations on the CAP. It would be a real tragedy if the Doha development round collapsed because Europe was incapable of recognising that it can no longer sustain the CAP in its current form—that it is no longer right in a world in which so many face starvation. Enlargement is of course extremely good news. For those of us who grew up in the shadow of the cold war and who were teenagers in the late 60s, when we experienced the frustration of the tanks rolling into Czechoslovakia, the later falling of the Berlin wall was probably one of the most fantastic days of our life. So it is wonderful that these countries are joining the EU, but let us not equate that alone with progress.

An enormous amount of work has to be done in the EU to make it remain competitive, and to reform basic institutions such as the CAP. Every single cow in the EU today attracts a subsidy of $2, yet many millions of people throughout the world are still scratching a living, and living on less than a dollar a day. So the livestock that one sees in a field on going down a country lane each receive twice as much in subsidy from the EU than many people in the world are living on, which is obscene. The House, the country and the Community must address these issues. If the French effectively stymie Peter Mandelson's efforts to achieve a successful WTO Doha development round, that will be a disgrace.

Mr. Deputy Speaker: Order. I hope that the hon. Member for Banbury (Tony Baldry) will not take it in bad part if I choose this moment to remind the House of Mr. Speaker's earlier ruling concerning the narrow confines of this Bill. I must advise hon. Members that I shall be getting a little stricter on the content of their speeches if it is not directly related to the Bill.

5.39 pm

Kelvin Hopkins (Luton, North) (Lab): I welcome the opportunity to speak about, and to express my happiness at supporting, a Bill that paves the way for the future EU membership of Bulgaria and Romania.

I very much agree with the hon. Member for North Antrim (Rev. Ian Paisley), although I hope that that does not worry him too much. By coincidence, I too was

[Kelvin Hopkins]

in Bulgaria in 1985. I did not know my right hon. Friend the Member for Rother Valley (Mr. Barron) then, but it is possible that we both went shopping in Sofia at the same time. Like him, I found the Bulgarians very charming, and the visit was a wonderful experience. However, I should say that I was merely enjoying a skiing holiday, not doing anything useful.

I want to talk about clause 2, which deals with workers' freedom of movement, and the regulation of workers from abroad. It is essential that all workers, foreign or otherwise, are regulated in their employment, and that they have the proper documentation and pay tax and national insurance. Foreign workers should be paid properly, at a rate comparable with domestic workers. They should not be used as a cheap labour force to undermine the wages and living standards of workers in the home country.

It is fine to use foreign workers to fill skills gaps and to make up employment levels when there is a shortage of labour. That happened here after the war, when a lot of people arrived to do the jobs for which we could not find workers. Many of the people who stayed here live in my constituency, and I believe that the experience has been a happy and valuable one for both us and them. Their presence has made ours a more diverse society, which is a good thing.

We should encourage foreign workers to join trade unions, and ensure that their conditions, protections and standards are the same as those enjoyed by their counterparts from this country. They must not be exploited, or used as a weapon to undermine wages in Britain.

Labour flexibility is not acceptable if it becomes merely a way to drive down wages. That could lead to difficulties in the EU. I have told the House before about my holiday in Portugal a few years ago, when I saw a building site with a sign in Portuguese that said "No Flexible Labour". If flexibility were to pose a threat to workers, it could lead to political changes that would go against the trend of the EU at the moment. Regulation must be used and properly enforced, for the protection of foreign workers and of our employment standards.

I welcome the prospect of EU membership for Bulgaria and Romania. It will benefit those countries, and the EU as a whole. I strongly favour enlargement, as I think that it will change the nature of the EU, making it a much looser arrangement of democratic states. Indeed, that has happened already.

That is my vision for the future of Europe. I do not want the EU to become a superstate, or an organisation driven by the Commission or the European Central Bank. I want there to be mutual co-operation across Europe between democratically elected Governments and their peoples.

I think that we can all accept that vision, as it allows a variety of approaches to economic management. Each European nation should be free to choose its approach democratically, not have it imposed from outside.

I hope that the process of enlargement will continue. There is no doubt that Bulgaria and Romania are European countries. Their culture is European, and they have made great contributions to European history and art. Before the second world war, Bucharest was regarded as the Paris of the east. Romania's language is derived from Latin, and its culture and tastes are like those of other European countries. Indeed, my favourite pianist is the Romanian Dinu Lipatti, and I own many CDs of his wonderful playing. Bulgarian music is equally marvellous: we have many links and associations with Bulgaria and Romania, and we will feel very at home with them in the EU.

As I have said many times in this Chamber, Europe's problems have to do with economics, and primarily with agriculture. The economies of both Bulgaria and Romania depend heavily on agriculture. They are big producers of agricultural products, and it is possible that they stand to benefit from the CAP. Of course, it is not being extended to them immediately, or even to countries that are already in the EU. There is a serious problem with the CAP, which causes distortions in fiscal transfers across the EU. It is coming to the end of its life. It has to be challenged, because it continues to make rich countries net recipients of budget funds and poorer countries net contributors. That process could get worse unless we abolish it.

There is much talk of reform, and we have had many reforms of the CAP, but it has not essentially changed and still has a distorting effect. It is unfair to have a CAP benefiting rich western European nations and not being extended generously to poorer eastern European nations with large agricultural sectors. I look forward to a world in which there is no CAP and in which we have our own domestic agriculture policies and are free to buy relatively cheap food from Romania and Bulgaria, among others. That would be a sensible way forward after the CAP has gone.

The future of the budget must be based on equity. If it is equitable for every member of the EU, we will all support it. At the moment, it is not. The only way to make it equitable is for receipts and contributions to the budget to be proportionate to our relative prosperity, so that rich nations are considerably greater net contributors and poorer nations perhaps net recipients, although it may just be that all of us make contributions but richer countries pay proportionately more. If the budget is related to our prosperity, everyone will think it fair and it will be objectively equitable. The CAP makes that impossible, and it should go.

I would also argue strongly that nations—Bulgaria and Romania, in particular—should be able to choose their own macroeconomic policies. They should be able to choose how to run their economies to make sure that they grow. They should not have imposed on them from outside a particular model of economic management that might be to their disadvantage, and which, I think, would be. If they could retain their own currencies for the foreseeable future, they could choose an appropriate parity, which would be to their advantage. If they could choose their own interest rates to suit their domestic economies, that, too, would be sensible. If they could choose their own fiscal policies—levels of taxation and public spending—that would be a good way forward. If they were not told that they could not use state aid to develop their industries, that would be a good thing. If the EU says that they cannot use state aid, that might cause them not to grow and could damage their economies, making it more difficult for them to attain

the kind of living standards we take for granted in western Europe. The European Union should butt out for the time being on those matters for those states, and for some existing member states.

The Bulgarian lev is, apparently, pegged to the euro at the moment. I suggest that pegging is fine, but becoming a single currency, which gives no possibility of flexing the value of one's currency, would be a terrible mistake for Bulgaria and Romania, especially in their present relatively weak economic situations. A pegged currency is very different from a single currency. The peg can change from time to time, and we in Britain ought to retain that position, too.

Some new member states have had unhappy economic experiences, which are causing political difficulties for them. The same could be seen in Bulgaria and Romania if we are not careful. I look at Hungary, which has undoubtedly prospered in the sense that living standards have risen overall, but in which there has been a great division of rich and poor with 40 per cent. of the Hungarian people now living in relative poverty in spite of its having done relatively well. What one sees in some countries is apparently socialist Governments who have been driven to take the neo-liberal approach of privatising and liberalising their economies, resulting in great and growing disparities of income and wealth.

Meanwhile, conservative Opposition parties have said that they do not want more privatisation or liberalisation but want to protect their welfare states. That is what is happening in Hungary. The astonishing thing there is that a conservative Opposition are being supported by a Marxist workers' party against the nominal socialist party in Government. *The New Statesman* last week speculated that if Mrs. Thatcher was in Hungary, she would vote for the socialist party, never mind its name, because it is pursuing extreme neo-liberal economics. The leader of the socialist party has made considerable sums of money out of privatisation. In any case, those are not the sort of policies that should be imposed on Bulgaria and Romania. They should be allowed to manage their own economies to maximise economic growth so that they may attain living standards similar to ours.

If we impose economic policies on those countries and their economies are damaged, with greater disparities between people's incomes, it could breed disillusion that would not be healthy for the future of the European Union. If we want to be happy together, we must ensure that living standards rise in those countries, that we converge further, and that the poor are not left out.

5.50 pm

Mr. Anthony Steen (Totnes) (Con): I first wish to make it plain that I support the Second Reading of the Bill and enlargement of the European Union. However, I wish to make several observations. Romania and Bulgaria will join the EU automatically in 2008, but Romania is hell bent on enrolling a year early and it has moved heaven and earth already to get itself into a better position to meet the acquis—all 29 chapters of it. Although it has been free of communism for only 16 years, its transformation from a highly bureaucratic, centrally controlled country to a liberated free market democratic state is truly remarkable.

The Romanians have pinned all their hopes on a 2007 admission to the EU. They believe it to be important for their psyche, their whole approach to life and their people, but as last week's comprehensive monitoring report by the European Commission makes clear there is still some way to go before they comply with all the necessary standards. Whenever Romania does join, it will be one of the poorest countries in the EU, with state monopolies still controlling vast areas of activity, and a poor quality of life evident outside Bucharest, which serves as a reminder of the legacy of communism.

There is a further reason why accession in 2007 is desirable, and that is because if Romania is deemed not ready then, there is a real danger that it might feel that the west and the EU had shunned it. The country could then sink into instability caused by unchecked corruption and the growth of widespread criminal activity. The present Administration has marketed the EU as the saviour to Romania's problems. There is a danger that some may feel let down when the Elysian fields do not materialise. But Romania has rejected the east and elected to look west. We must not disappoint it. I visited Romania both as a member of the European Scrutiny Committee and more recently as a member of the all-party European Union enlargement group, which enabled us to meet not just the Prime Minister, but also the Leader of the Opposition and many cabinet ministers. I subsequently spent five days as a tourist, visiting historic cities and exploring lesser known agricultural areas.

The Romanians believe that the EU Commission may be giving them tougher obstacles to overcome than it gave the 10 countries that joined the EU in May 2004. They argue that all eastern European countries share similar problems and that a more intense spotlight is now being focused on Romania and Bulgaria because they are just two new entrants rather than 10. The need to comply with the 29 acquis chapters before accession has provided the necessary impetus and vital motivation to embark upon an enormous programme of change. The Commission's concern and ours should be that once Romania and Bulgaria have been admitted into the EU, there is precious little that can be done to force the pace so that the reforming zeal is maintained. The House tends to forget that there are only 5,000 more officials in the European Commission in Brussels than employees, full and part time, in Devon county council. There is, therefore, a limited number of EU officials to enforce the requirements once Romania and Bulgaria become full members.

Chapter 24 deals with co-operation in the field of justice and home affairs. Schengen and the EU external borders are highlighted as an area of serious concern, as is the fight against fraud and corruption, which is well known and well documented. There are signs that the situation is improving quite dramatically, but no high level official or Government Minister has yet been prosecuted and, as the monitoring report highlights, increased efforts are needed to ensure compliance in the areas of money laundering, judicial co-operation in civil and criminal matters, the fight against drugs, police co-operation and the fight against organised crime.

Corruption is not perhaps surprising when many public officials earn less than £1 an hour, and it is not unknown for some to earn only 50p an hour. Bribes are very tempting, whether to people in the local police force or in local councils who control local permissions of one

[Mr. Anthony Steen]

sort or another. We were told that a few years ago a bribe test of the police resulted in 70 per cent. failing. That has now fallen to some 40 per cent. However, some argue that until Romania joins the EU and starts to prosper materially, corruption will continue, including in the police and other forces.

The US Department of State's report on the trafficking in persons, released in June this year, said:

"Corruption among law enforcement authorities remained a serious problem".

However, progress is being made, and in 2004, Romania's lead police anti-corruption agency investigated 81 police officials implicated in trafficking-related corruption; imposed administrative sanctions on 31 officials; dismissed 10 officials; and sent 40 cases forward for prosecution.

Before Romania is admitted, it is essential that it sorts out its external border controls. Romania will form the frontier between the EU and Russia. It is a massive border, and it is Romania's weak spot. Once Romania joins the EU, its easternmost border will form part of the border to the entire EU area and we must all recognise our interest and responsibility in securing it. The EU must give massive funding, as well as provide border patrols, if security is to be increased to an acceptable standard. Currently the border controls are lax and people can come over from the east, from countries such as Ukraine or Moldova, without difficulty. Romania is very much a railway station—a transit area, just as Albania is a transit centre for southern Europe. The 2005 second annual report by the International Organisation for Migration on victims of trafficking in south-eastern Europe said:

"Romania is a country of origin for trafficking in persons. It is also a transit country for trafficking from the former Soviet Union."

In 2003, a United Nations report listed Romania as one of the top 10 countries of origin for trafficking in the world. Internal trafficking is also a problem in Romania, with children from the poor north-eastern region of the country being sold by their families to work on farms in more prosperous regions. However, the vast majority of victims of trafficking for purposes of sexual exploitation were trafficked from Romania to EU countries. It is vital, therefore, that we develop a coherent, effective, EU-wide strategy for coping with and eliminating trafficking.

The trafficking in persons report from the US Department of State stated:

"The Government of Romania does not fully comply with the minimum standards for the elimination of trafficking."

The report acknowledged that

"however, it is making significant efforts to do so".

The Romanian Government have significantly increased trafficking convictions and sentences. In 2004, 103 traffickers were convicted, up from only 49 in 2003. However, those prosecuted are not the main players but those lower down the hierarchy, and thus the criminal networks are yet to be broken. The Government also created a national network of 52 judges specialised in trafficking cases, one for each tribunal and court of appeal. More needs to be done with regards to the screening, identification and referral of trafficking victims, as Romania has no centralised mechanism. In addition, it has no common methodology for the documentation of cases.

Child trafficking is something that should concern the whole House. What one gathers from those in the know is that there is a rise in child trafficking on the pretext of inter-country adoption and a rise in the trade of young women and young boys. The Romanian Government have made amazing efforts to crush the trade in children, but in doing so, they have seriously antagonised organised criminal associations, which have tended to move out of Romania into Moldova or Ukraine. Let us remember that it is believed that, between 1991 and 2001, 30,000 children were so-called adopted and £1.18 billion changed hands.

The problem is even more severe in Bulgaria, where the fastest growing sector of organised crime is that involving children, of which the report makes specific mention. The organised criminal gangs that arrange for children to be sold on the internet under the guise of adoption are highly disciplined and ruthless. We are talking about criminal networks and corruption on a very grand scale, which Governments are virtually powerless to control.

The global purchasing of people is a worldwide scourge, which will be brought to the fore in Europe once Romania and Bulgaria have attained full membership of the EU. It is necessary to consider a comprehensive policy for both destination and source countries and to ensure that anti-trafficking legislation is effectively implemented, of which the fight against corruption is an essential part. In granting Romania and Bulgaria membership, the EU must simultaneously put in safeguards on the corruption front. Chinese walls can and should be put in place, and stay in place, until corruption is squeezed out, rather than giving those trafficking gangs free access throughout Europe.

Chapter 7 deals with agriculture. One must not forget that a large percentage of the population of Romania is still engaged in agriculture. It will take many years before sufficient funds are available for modern technology to make the best use of land. The distribution of food is minimal and food is routinely sold by farmers from horse and carts at the roadside. The Commission points out that, although Romania generally meets its commitments on a number of issues, increased efforts are needed on a number of others, including animal welfare, trade in live animals and animal products, and there is serious concern about animal disease control and public health.

I recently witnessed appalling animal cruelty in a horse market in Transylvania, where a horse was so cruelly handled and pulled so fiercely on his reins that his mouth was pouring with blood as he trotted down the road. We now have the bird flu scare, and the Royal Society for the Prevention of Cruelty to Animals seems concerned with the way that the Romanians are killing poultry deemed a possible risk by throwing them alive into incinerators.

I mention those issues not to find reasons for keeping Romania out until 2008, but to encourage the Romanian Government to do everything in their power, by changing laws now and helping to change attitudes; nor is it necessary to bring Romania and Bulgaria into the EU at the same time. One could join in 2007, and

another in 2008. If we in the more prosperous countries are to help those who are less advantaged and raise their standards of living, we need to ensure that human trafficking and animal cruelty become things of the past: an important step forward for millions of people formerly under the communist yoke.

6.3 pm

Michael Connarty (Linlithgow and East Falkirk) (Lab): I am pleased to follow the hon. Member for Totnes (Mr. Steen). I am reminded that a favourite adage of mine is that pessimism of the intellect should not breed optimism of the will. I hope that the pessimism of his intellect will breed the optimism of our will to welcome Romania and Bulgaria into the EU under the accession treaty. I am also pleased to follow my hon. Friend the Member for Luton, North (Kelvin Hopkins), who sees the EU as the problem, when I see it as the solution to the problems that have been outlined in the contributions so far.

I welcome the accession treaty. I take the admonition not to give a travelogue, but I visited Romania with the hon. Member for Totnes and the European Scrutiny Committee, and I had a chance to speak first hand to people at all levels of Parliament, the Government and non-governmental organisations there. As always, when I go to those places, I pop into a café or two and have a chat with some of the younger people and hear their aspirations. I found a similar message to the one that I found when we visited the countries involved in the last enlargement. There are problems and there is much to be done, but they view the ability to accede to membership of the EU as a very bright light at the end of a tunnel that they have been travelling through since the time when they were trapped in the previous regime and saw their lifestyles and standards deteriorate.

In welcoming particularly clause 1 on the accession treaty, I accept that there is much to be done, including the things outlined by the hon. Member for Totnes, although we might find that what he said about agriculture is paralleled by the abuses that we have found in this country, even under our very strict laws on the treatment of animals. Neither their treatment of animals, nor their treatment of children and other members of their community will be accepted. That is where the EU comes into its own.

Unlike my hon. Friend the Member for Luton, North, I see the EU and its attempt to create a level playing field for all as a great benefit. We should not allow people to hang their political hats on the EU hook; they must conform to the process of accession. In fact, by 2007, Romania must adopt 29 provisions of the acquis—what a great difference that will make—and then the transition funds and eventually the structural funds that will become available will help Romania to do the very things that he says should be done. I certainly think that they should be done.

Mr. Steen: I am sorry that the hon. Gentleman feels that my speech was pessimistic. It was based on my own observations. I am totally optimistic about the acquis and Romania's ability to become a fully-fledged member of the EU, but I thought it only right to point out what is going on there and what still needs to be done.

Michael Connarty: I fully accept that. I have always found that the hon. Gentleman's activities on the European Scrutiny Committee are in a positive vein, unlike those of some of his colleagues who travelled with us and encouraged people in other countries not to join the EU. Their admonition fell on deaf ears everywhere that we went, but he has never been guilty of saying such things. We should accept that there are problems and I shall mention some of them.

We should ask why Romania is joining in 2007, rather than 2008, which could have been an option. One of the problems is that Romania will have to run very hard to catch up with our demands on tackling institutionalised fraud, whether small-scale bribery or large-scale fraud. When we met the President of Romania, he admitted that fraud was a major problem that he was going to tackle. The hon. Member for Totnes omitted to mention the fact that there was a rather garish picture of a former Minister in manacles on the front page of the national newspaper, which said—I believe that this was the translation—that he was shouting, "The President of Romania has put me here, and I will ensure that he ends up in the same prison." The current President is clearly taking on board the need to tackle large-scale corruption and fraud in the institutions that previously ran the country. If his record as mayor of Bucharest is anything to go by, he will challenge and beat down that high level of corruption.

It would be unreal of us to think that this is just about the relationship between Romania and the EU. Senior members of its Parliament made candid comments about the reason why Romania would join in 2007. They said that they would offer the USA a base there. When I asked, "Do you mean a NATO base?" they said, "No, a USA base in Romania." If that is part of the equation, I am concerned. If Romania is to become involved in international defence, that should happen through NATO and it should be done in a way that does not single out any country as a partner in defence matters, while it is applying to become our partner in economic matters. Although I welcome the accession clause, I hope that the Minister will clarify whether a base in Romania will be offered to an individual country outwith the EU, rather than NATO, which is our common alliance. It might be that the politicians were expressing only an aspiration, but if that became a reality, it would be viewed negatively. It would be seen that there was a false contract between the EU and Romania if the purpose of speeding up accession was to hasten the provision of any form of military base for the United States of America.

The Minister for the Middle East (Dr. Kim Howells): I have certainly not heard any talk of US bases, nor did I hear such talk when I was in Romania. However, I am interested to hear what my hon. Friend says.

Michael Connarty: The Minister can check that out if he wishes because it was said to me not privately in a whisper, but in a meeting in Romania that was attended by other members of the European Scrutiny Committee. The suggestion worried me, but if it was simply an aspiration and someone was grandstanding, I will be glad to see the rumour put to rest.

Mr. Steen: I had the feeling at that meeting that the speaker might have been confusing the United Nations

[Mr. Steen]

with the United States and perhaps believed that the UN was funded by the United States, and thus was, in fact, the United States. Might that solve the problem?

Michael Connarty: I will leave the problem to be solved by those in government who must clarify such matters on our behalf. However, it would not have been right of me to pass on without putting the matter on record so that they can puzzle over it or refute it either during the debate, or in the future.

The freedom of movement for workers, which is addressed in clause 2, is a fundamental aspect of what we are doing. If I am reading the Bill correctly, we will allow people from accession countries such as Romania and Bulgaria to come to the United Kingdom to work if they have an offer of employment. It has already been said that some 230,000 people have already come here to work and are thus contributing and paying taxation.

Neither Labour nor Opposition Members can shy away from the challenges presented by the matter. Labour Members should not over-applaud the initiative and Conservative Members should not be afraid of some of the proposals. There is a problem with exploitation. My hon. Friend the Member for Luton, North said that we should not allow people who come into the European Union to be seen as second-class workers and second-class citizens who deserve only second-class conditions and wages.

I am worried that some people who have come here from the 10 accession countries in the last enlargement have already been exploited, even though they might be happy to get our minimum wage when they compare that with what they could earn in their own countries. However, we must consider the scenario that occurred involving a group of workers from one of the original 15 member countries. They were bused into a work place and kept in isolation from trade unions in this country. They were doing highly skilled work in a power station in Wales, but the unions could not discover their wages or conditions of service. They were working under the posting of workers directive, which will obviously apply to workers addressed by clause 2 because, when they come here to work, they should be covered by EU directives.

If the posting of workers directive means that we will not know whether such workers who come to this country enjoy proper conditions because they do not have access to trade unions in either their country of origin or here, something is wrong, given that there is a pledge—I believe that it was made when Mrs. Thatcher signed the Single European Act—that every citizen in Europe should be treated equally. Unless we introduce safeguards, people who come here might not enjoy the same quality, class or status of citizenship as people in the UK. Indeed, they could be seen by many as people who are available for exploitation. The trade unions must meet that challenge.

Mr. Nigel Evans (Ribble Valley) (Con): It is more than a challenge for the trade unions. Those people will be covered by UK legislation, so they should get such things as the minimum wage. I want to consider the wider aspect of the matter. Does the hon. Gentleman believe that we should consider why France, Germany and other EU countries have decided to introduce derogations regarding people from Bulgaria, Romania and the other 10 accession countries coming to work there, while we have an open-door policy? Should we not be a little more selective about the skills that we need in this country?

Michael Connarty: No. As we have done for people from the accession countries, we will allow people from Romania and Bulgaria to come here to use their skills and contribute to our economy. However, we still face a problem. If a joiner or plumber, for example, comes here from one of the 10 accession countries, it is not suitable to give him the minimum wage. Joiners, plumbers and electricians should get the proper wage for their skills. The trade unions must try to do more to enlighten workers who come to this country about the conditions of employment and wages that they should expect.

The freedom of movement for workers also presents a question for the Government. The Government should provide all people who come to this country to work from the 10 accession countries, Romania and Bulgaria—including the 230,000 who are already here—with correct information about what they should expect for the skills that they are bringing. Everyone would benefit from such an arrangement. The people involved would be paid proper wages. It would mean that unrest would not be caused because of other workers thinking that their trades or professions were being undercut. We would thus have a much happier movement of workers.

The hon. Member for Ribble Valley (Mr. Evans) asked whether we should screen people and look only for those who can bring high levels of skills to our shores. It would be wrong to do that because, as has been said, one could question whether we would be denuding countries of their doctors and nurses, for example. People should see the attitude of this country and the EU as allowing free movement for workers so that they can go to countries, develop their skills and become better qualified, and then take better skills back to their country. Experience shows that there is a short period of outward migration as countries accede to the EU, but people then return to their own countries with better skills and the income or capital with which they can try to build up those countries. I think that that pattern will be seen with the 10 countries that have come in, as well as Romania and Bulgaria.

When I was in Bucharest, I raised the matter of the Roma people in Romania and Bulgaria. I have also raised that point in the House and hope to do so when I visit Bulgaria. In my youth, I thought that Roma people were the equivalent of Romany Gypsies, and thus people of European origin, albeit with a transient lifestyle. There are several encampments for travelling people in my area and I know those people well.

When I spoke to Roma people from Romania and the Roma people who came to the House to discuss their problems, I discovered that they referred to themselves as the dark people. They were clearly of Asian or Indian origin. They said that they had been on the move for thousands of years and then landed in those countries and were, in a sense, frozen in time. They said that many of them were highly skilled. Indeed, it was pointed out that the Roma people brought the skill of metallurgy to

those countries from the Asian sub-continent—it was not present before they arrived. Many of them are productive members of society.

Roma people in Bucharest and others to whom I have spoken told me that their community is marginalised and that their people has always felt marginalised. We must tackle the question of what will happen to Roma people who might wish to move permanently, or for short periods while they are in transit. Romania and Bulgaria have not tackled those problems properly. I hope we accept that everyone should be included in the process of access.

The explanatory notes say that there are different proposals for the freedom of movement of workers. They relate to two years, after the third year and after seven years, which, in a sense, is a get-out clause. I hope that we will not review that negatively and will always think positively about how we can include more of those people who might not at the moment be thought of as highly skilled workers, to whom the hon. Member for Ribble Valley referred. Our part in Europe is to put together an agreement among countries that relates to all people. Yes, we need to deal with fraud, inadequate administration and the unacceptable attributes in the accession countries, but we can lift those countries to a standard with which we are all happy.

Keith Vaz: I am sorry that I missed the earlier part of my hon. Friend's remarks. Is not it right that, if those countries are to come in, they should be treated as equal partners and their citizens should have equal rights to come here, as we have to go to other countries?

Michael Connarty: I was impressed with the contribution of my hon. Friend, and he makes his point well. It is easy to find scapegoats and frighten people if everyone who is of non-British origin is seen as different, threatening or less beneficial to our society. If we make Europe wider by allowing people to come in from countries that have been frozen out for a long time and, as a consequence of their suffering, have created societies that we do not applaud, it is possible, as part of that enterprise, to give them a standard of living and an aspiration to achieve the sort of relationships that make us happy. Regardless of how we fall out over economics or policies such as defence, if we set out on that journey—the treaty is a step along the way—we will build a Europe of which we are all proud, irrespective of whether we believe in the EU as it stands or some other arrangement for the countries of Europe to work together.

6.22 pm

Daniel Kawczynski (Shrewsbury and Atcham) (Con): I will support the Bill, but want to take the opportunity to sound a note of caution. I first visited Romania in 1982 and have visited it a number of times since. On that first visit, we were shown many villages—the Potemkin villages—that were special and of a much better standard than others throughout Romania. Foreigners were shown a restricted amount of the country. We were only meant to see the nice bits and not the problems that it faced. Nevertheless, I could still see the terrible fear in people's eyes as they lived under a tyrannical regime under communism.

The problem with Ceausescu is that he was propped up by many western Governments. In fact, the Labour Government, under James Callaghan, insisted that Her Majesty the Queen put him up in Buckingham palace and gave him one of the highest orders. It was not just the Labour Government who were responsible, however. Others in the western world also ostentatiously fêted Ceausescu.

When I visited Romania after the fall of communism in 1990, I was amazed at the differences. I walked along the boulevard of the Victory of Socialism, which is twice as long and twice as wide as the Champs-Elysées. It was built by Nicolae Ceausescu as a road to his palace, which is the biggest building in the world next to the Pentagon. Despite that ostentatiousness and the tremendous luxury in which he lived, the people of Romania were extremely poor. I saw people queuing for basic foodstuffs. The electricity supply was intermittent and, in many flats, only one electric light bulb could be turned on at various times of the day. It was George Orwell's "1984". It was a terrible society.

Although I saw how ghastly that society was and although I think that Mr. Ceausescu was an appalling man, I am concerned about the way in which he and his wife were executed on 24 December 1989. No matter how bad other evil brutes are, such as Saddam Hussein and Slobodan Milosevic, they are given a proper hearing and trial, but President Ceausescu was tried with his wife, Elena, in a kangaroo court. He was sentenced to death almost immediately and did not have the right to a proper lawyer. The way in which the Romanian authorities carried out his trial and execution was wrong. I hope that they have learned their lesson from that.

I am pleased that Romania can join the nations of a new modern Europe, but there are problems. Communism has taken its toll. It had a destructive impact, not just on Romania, but on most European countries that experienced it. I saw it at first hand as a child in Poland. However, few of us will have forgotten the images that we saw on television in 1990 of the orphanages in Romania and the appalling way in which those children were treated. Those institutions still exist. Outside modern Bucharest, children are kept in state institutions that are badly heated and lit, where they receive poor care. There are awful cases of neglect.

There is also terrible environmental pollution. The Ploesti oil fields and other industrial complexes have devastated the local environment. I fear that Great Britain and the other EU countries will have to stump up a great deal of money to modernise those facilities and ensure that the environment is brought up to the modern standard that one would expect of an EU country.

The infrastructure is a shambles. The hon. Member for Leicester, East (Keith Vaz) stated that he was in Bucharest for only seven hours when he was Minister for Europe. That is the problem. Many Ministers get whisked to Bucharest, no doubt stay in a lovely hotel and see the best bits of Romania, but they do not see the shambolic state that it is in. If they were taken to villages like Scornicesti, Timisoara and Arad, they would see how backward the country is and the amount of money that it will need.

Keith Vaz: I should like to have stayed longer and visited such villages. That is why these debates are so important: they allow us to hear the experiences of people such as my right hon. Friend the Member for Rother Valley (Mr. Barron). You should not criticise Ministers because they do not have the opportunity to know about countries. That should be used as part of the process by which the House is informed.

Daniel Kawczynski: I take on board the hon. Gentleman's comments. I did not intend to suggest any criticism—

Keith Vaz: Yes you did—

Mr. Deputy Speaker (Sir Michael Lord): Order. The hon. Gentleman knows better than that. He used the word "you" in his intervention and has used it again. It is advisable for him to intervene, if he must, in the correct way and to use the correct language.

Daniel Kawczynski: I repeat that I certainly did not intend to imply any criticism of the hon. Gentleman. I simply wanted to highlight the fact that politicians from western countries do not necessarily have the time to understand the true picture in some of these eastern European countries.

The Minister stated that €5 billion—I hope I have that right—will be spent on improving agriculture in Romania and Bulgaria. He said, though, that that was not a definitive figure, and I understand why: the actual cost will be far greater. We all know that, with Government targets, the figures are in the end much higher than the initial projections. As my hon. Friend the Member for Totnes (Mr. Steen) stated, Romanian agriculture is, with no disrespect to Romania, extremely backward. One can still see oxen and carts or ploughs rather than tractors. It is so far behind the United Kingdom that it will need a great deal of money to bring it up to our levels.

That concerns me because I represent many hard-working, decent farmers in Shrewsbury and Atcham, including sugar beet and milk producers who are battling to save agriculture and trying to make a living. The Government are now talking about common agricultural policy reforms and, perhaps, lowering agricultural subsidies in exchange for an agreement at the World Trade Organisation. That is all well and good, but, at the same time as it is lowering subsidies for our farmers, the European Union will be pouring billions of pounds of investment into Romania and Bulgaria to get their agriculture up to our standards. That is a real concern. My priority is farmers in Shrewsbury rather than those in Romania.

Stewart Hosie: Does not the hon. Gentleman see those two accession states, and others, as an opportunity for his farmers in Shrewsbury and their quality produce, as I view it as an opportunity for farmers in Angus and in the constituency of my hon. Friend the Member for Moray (Angus Robertson)? Why do the hon. Gentleman and his party always see these things as a threat and not, even on one occasion, as an opportunity? *[Interruption.]*

Daniel Kawczynski: I am accused in a sedentary intervention of carping negativism, but I am merely trying to highlight my concerns for Shrewsbury farmers and British agriculture.

There should be restrictions on some of the workers coming from Romania and Bulgaria. I mentioned in an intervention that Poland is struggling with a lack of nurses, doctors and dentists because they are all pouring into the United Kingdom. My cousin, a nurse, has left her hospital in Warsaw to come and work in the UK. That is marvellous for the UK, but there will be shortages in some eastern European countries.

Michael Connarty: I made a point about people returning to their countries. Has the hon. Gentleman's cousin left Poland for ever, or does she aspire to return?

Daniel Kawczynski: I am not going to go into the personal life of my cousin. I could not possibly foretell what she will do over the coming years. I suggest that the hon. Gentleman write to her and ask her himself.

I warmly congratulate my hon. Friend the Member for Totnes on some of his remarks about the mentality of Romanians regarding animals. I own an equestrian centre and have strong feelings about the welfare of animals, particularly horses. Having visited Romania several times, I am extremely concerned about the way that animals are treated there. I have seen cases of bear baiting and the most appalling treatment of dogs in the street. I hope that if Romania does enter the European Union, that mentality is modernised and raised to our levels.

6.34 pm

Angus Robertson (Moray) (SNP): I am pleased to speak in a debate that has been at times—let me put it this way—rather detailed. It has homed in on some of the minutiae of accession and enlargement, and sometimes the big picture has been missing. That is a great shame because this is a truly historic development that we should welcome with open arms, but unfortunately some of the enthusiasm has been rather muted.

In the years ahead we will be reuniting our continent. The countries in question, and the previous accession countries, have not been knocking on the door of Brussels for a handout; they have been wanting a hand up. They want to work hard, earn their keep and play their part in our continent. We should never forget that the benefits that will flow to those countries through membership of the European Union are mirrored by the benefits that we will enjoy here.

The hon. Member for Shrewsbury and Atcham (Daniel Kawczynski) rightly pointed out that it would be of benefit to Members to travel widely in the region. I had the good fortune to work in central Europe for over seven years when I was a diplomatic affairs journalist during the 1990s. Travelling back there as I do now, I can look back and compare what is now with what was then at the beginning of the 1990s. The transformation is extraordinary, and not just in the EU 10 of recent accession states.

The hon. Member for Totnes (Mr. Steen) mentioned the challenges of border controls. I well remember standing on an Austrian police boat on the Neusiedler See doing a report for the BBC's "Correspondent" programme about those concerns. That border between Austria and Hungary was to be the outer border of the European Union. The Austrians managed that change;

the Hungarians have now managed it; and I am sure that, although work needs to be done in Romania and Bulgaria, they will manage it too. I think that the glass is half full.

Changes have occurred not just in the countries that have joined the EU; the changes in Romania and Bulgaria since the fall of communism have been profound. A point that has not been made, but which I shall come to later, is that the impact of accession is not simply on the countries in question; it has a ripple effect in their immediate neighbours. There has been no talk yet of the near neighbourhood policy and the consequences for the countries that border Romania and Bulgaria.

I must confess that, like many people, I do not know a tremendous amount about the culture of Romania and Bulgaria. The hon. Member for Luton, North (Kelvin Hopkins) spoke in glowing terms about the culture of both nations, and I am sure that there is much to commend it. My impression of the countries was formed through sport. I well remember, in Romania's case, Nadia Comaneci, Ilie Nastase, Gheorghe Hagi and many others.

I had to look in a book to find out that Romania is the home of the most eastern Romance people. They have emerged from the Ottoman and Hapsburg empires and the Ceausescu regime. They have tremendous cultural breadth, including not only the general Romania population but the Hungarian minority, the Roma and Sinti people, those that remain of the Transylvanian Saxon population, Vlachs and many other minority groups about which we know little. They will be part of our European home, and that is something we should celebrate. However, we should look closely at the map and realise that the EU will have a border with Ukraine, Serbia and Moldova. We have already had mention of Transnistria. Those are challenges, and we shall need to look closely at the consequences of what is happening.

Mention has been made of the Commission's 2005 monitoring report. We should not ignore it because, despite my enthusiasm and the fact that I think this is a tremendous, historic development, there are challenges. On the political requirements, the Commission says:

"Romania continues to meet them",

but there needs to be progress in public administration, in tackling corruption, in improving the situation of disabled and mentally ill people and in fighting trafficking in human beings. Those are challenges on which the Romanian authorities need to deliver. They should be aware that those of us who are keen for their accession expect them to deliver and to improve the situation for their citizens in those vital areas.

Bulgaria's position is similar to that of Romania. There is my football analogy of growing up with Balakov and Stoitchlov. I did not know much about Bulgaria's culture, but it is the first Slavic nation state in history. It has managed successfully to emerge from the shadow of Ottoman domination and Soviet domination, so it has a rich tapestry. Bulgaria has a significant Turkish community, which has formed the minority coalition partner of most Bulgarian Governments since the fall of communism.

Bulgaria's borders should make us think about the consequences of EU enlargement. For example, it has borders with Serbia, Kosovo, Macedonia and Romania. I shall return to that matter after talking briefly about the challenges that Bulgaria faces.

The Commission has set challenges for both Romania and Bulgaria. As good friends, it is right for us to point out our expectation that they deliver on their fight against organised crime and corruption, and the support of human rights protection and of minorities, especially the integration of the Roma minority. That was highlighted in the Commission report only last week.

Before moving on to the near neighbourhood policy and the borders, I want to talk briefly about clause 2 and the movement of labour. It is right and proper that we should consider the Government's plans as they emerge in terms of the speed with which the labour market should be opened. I counsel the Minister to be highly sceptical of advice from Conservative Members on this issue. During the previous Session there was hysteria about the prospect of giving workers from the 10 accession states the freedom to come to the UK. That opposition would have had devastating consequences in my constituency and many others. The example of hard-working Poles and others is a credit to their homelands and to their homes in Moray and many other parts of the country. I am sorry that little or no mention was made of the opportunity, or the potential benefit for the economy, that is provided by hard-working people. There has been no praise for the hard-working people who have come here. I shall be happy to send a copy of the comments that have been made by Conservative Members to local employers in my constituency so that they are fully aware of the attitudes of the main UK Opposition party.

Keith Vaz: Does the hon. Gentleman think that now is the time to get rid of the stereotypes that have somehow attached themselves to those who have come since 1 May 2004? They are in every profession and in every type of work in every part of the country, and we are glad that they are here, including the cousin of the hon. Member for Shrewsbury and Atcham (Daniel Kawczynski).

Angus Robertson: I am glad that we have in this country hard-working Poles who have come recently, along with those who came in previous generations. The impression of people in my constituency and elsewhere is that the Poles are hard working and law abiding. We should never shrink from reminding doubters about that.

The near neighbourhood policy has not yet been addressed, but it is of significance. The ripple effect of accession carries on into many countries. When I was based in Vienna in the mid 1990s I well remember the efforts of Alois Mock and Franz Vranitzky in moving Austria towards membership of the EU. That had a considerable impact throughout the wider Danube region. It was not confined to former communist countries thinking that they were on to a good thing. There was a general realisation that membership of the European Union was worth pursuing. I am disappointed by the Austrian Government's recent opposition to Turkish membership. It is ironic that one of the most vocal supporters of Turkish membership of the EU was none other than Jörg Haider. That might be a surprise to some.

[Angus Robertson]

We need to understand that the EU is already looking at countries that are bordering on the accession states that we are discussing. In 2004, the launch of the near neighbourhood policy would have an impact on Ukraine and Moldova. A little later, a second round of the policy was launched, which would include the south Caucasus—Armenia, Georgia and Azerbaijan. The policy does not mean that those different states will be able automatically to join the EU; it recognises the ripple effect that accession has as the EU moves further east, bringing benefits to trade, standards of governments, human rights, law, cross-border control, combating drugs and human trafficking and to fighting terrorism. We should never forget that all those things are part of the ripple effect of enlargement.

I have one minor criticism of those on the Government Front Bench, which I made in an intervention at the start of the debate. I was reminded of it when the hon. Member for Linlithgow and East Falkirk (Michael Connarty) arrived in the Chamber late because, as a fellow member of the European Scrutiny Committee, he had to attend a meeting with members of the European Parliament. When European business comes before the House, every effort should be made to co-ordinate so that Members of this place, such as the hon. Gentleman, the hon. Member for Totnes and me, as members of the European Scrutiny Committee, are not put in an impossible position whereby we cannot attend important meetings. I hope that the Government will take that comment in the spirit in which it has been made.

The Minister for Europe will be aware of the irony, from my perspective and that of my hon. Friends, that we have been discussing the accession of 10 states, and the prospect of Bulgaria and Romania—and, in time, Croatia and many others— joining the EU when our historic nation, Scotland, is not in its rightful place at the top tables of Europe. If the benefits of membership are obvious for both the richer and the emerging economies, and for both larger and smaller countries, it is ironic—this will not be lost in time in the public consciousness in Scotland—that Scotland is not part of an inward enlargement of the EU as well.

The Minister for Europe said in error at the start of the debate that there was tripartite support in the House for enlargement of the EU. Of course, he knows that the Scottish national party, Plaid Cymru and our Northern Irish colleagues support enlargement. I am not sure why he should ignore the Liberal Democrats and the Conservative party. Our parties will be delighted to support the Bill. I hope that it will not be forced to a vote. We shall be looking closely at what happens in Romania and Bulgaria to ensure that they make progress on their obligations in the years ahead. We hope that they can soon be part of the EU, and we wish them well.

6.48 pm

Mr. Greg Hands (Hammersmith and Fulham) (Con): For the first time, under the Bill, the EU will reach the Black sea. For the first time, Greece will have an overland connection to the rest of the Community. This is not a tidying-up exercise; it is a significant expansion of the EU in its own right. I am delighted to be called to participate in the debate, because I have taken a strong personal interest in the affairs of both Romania and Bulgaria since my first visit to both countries in 1988 as a student. My recollections are similar to those of my hon. Friend the Member for Shrewsbury and Atcham (Daniel Kawczynski).

If I had been asked at that time how long it might take for those two countries to join the EEC, as it was then known, I would probably have said 15 to 20 years, and possibly longer for Romania. That has proved to be more or less correct. I am sure that the wait has been right for the EU, and that it has probably been helpful to Bulgaria and Romania.

I clearly recall my first visit to those countries in 1988, arriving at the Gare du Nord in Bucharest after a long slow train journey from Budapest. The journey was memorable for two things—poverty and corruption. The Ceausescu regime was rampant, demolishing whole districts of Bucharest in the most controversial manner possible and creating agri-industrial complexes in the countryside. Today, such regimes exist only in North Korea or Zimbabwe, but the Ceausescu regime was in the premier league of tyranny. The poverty was incredible for a European country. Children begged at the side of the train for chewing gum, and even tourists had almost nothing to eat. I survived on tomatoes for an entire week, and gained the impression that a command economy was operating. The week after, people probably lived on cucumbers.

Corruption was evident as soon as I arrived at the border. The price of a visa was hiked up arbitrarily, from 40 Deutschmarks to $40, then to £40, because I was a UK citizen. I recall Romania as a beautiful but depressive and slightly volatile country. The only place to go in the capital at night was a rundown 1930s-style club called the Athenée Palast, which offered truly ghastly entertainment. I believe, however, it is the club mentioned by the late Alan Clark in an interesting passage in his diaries about his trip to Romania in the late 1980s. The people were naturally friendly but, as my hon. Friend the Member for Shrewsbury and Atcham said, it was a country run by fear. It was significantly poorer than Hungary, Czechoslovakia, East Germany and even the Soviet Union.

The status of minorities was extremely bad. I spent one afternoon in Transylvania with an elderly ethnic German who had been given electrode treatment in the 1960s because of his views and ethnicity, and was in a sad state. The atmosphere was oppressive. The only bookshop that we saw was stocked entirely with the volumes of Elena Ceausescu. The wife of the hated dictator was a chemist who specialised, bizarrely, in plagiarising the works of other scientists, which she claimed as her own. The relief caused by the December revolution in Romania was palpable, and a few weeks afterwards I received a 17-page letter from a Romanian I had met describing the conversation that he wished he had had with me. For an MP, a 17-page letter is a nightmare, but it was a revelation to me as a student, because it was a moving personal testimony that described in detail the nightmare of a life wasted at the expense of communism.

Bulgaria was also in a bad way, suffering from a stagnant economy and the grim regime of Todor Zhivkov, a Brezhnev-like figure. It had forcibly expelled hundreds of thousands of ethnic Turks in a sad

precursor to worse expulsions in the Balkans in the 1990s. Bulgaria was not subject to the obsessive and crazy schemes of Ceausescu. In fact, one of the Romanians' main grievances was their perception that they had fallen behind even Bulgaria. I returned to Romania in March 1990, when the revolution was only a few weeks old. The streets were filled with armoured cars, and it was still dangerous, with soldiers, paramilitaries and political activists all mixed together in a volatile atmosphere. Ironically, the "people's palace" that Ceausescu inhabited had just been opened up to the people, but the people did not like what they saw, and the experience evoked yet more hatred for the recently deceased dictator. The country was moving towards the leadership of the National Salvation Front, or FSN, and continuing single-party rule under Ion Iliescu. Many people simply wanted to leave, and I was almost crushed to death on the Bucharest to Timisoara train, which was full of people wanting to go to Belgrade before Yugoslavia introduced a new tougher visa regime for Romanian citizens. Only a few years later, of course, the flow was reversed.

Romania and Bulgaria have both had a tough passage since 1989. Fortunately, Britain has been a great friend to both of them since the beginning of democratisation. In researching my speech, I looked at the debates in the House in 1989 and 1990. I was struck by the speed of the Government's response under Margaret Thatcher. For example, in January 1990, they announced the setting-up of the know-how fund to use British expertise to advise public and private sectors in the emerging democracies such as Romania and Bulgaria. Possible membership of the European Community was first mentioned by my right hon. Friend the Member for Horsham (Mr. Maude), the present chairman of the Conservative party, in the House on 31 January 1990.

Both Bulgaria and Romania have made huge progress in the 15 years since. They are not fashionable parts of eastern Europe, and they do not have any cities as picturesque as Prague. Unlike Poland, they have not produced a powerful diaspora, and they lack geographical immediacy. Neither of them has ever been a democracy, in contrast to Czechoslovakia and Hungary in the 1930s. Throughout the first part of the 1990s, Bulgaria was wracked by political instability and strikes. The former communists remained a powerful influence. Although the end of the decade was more stable, there was little tangible progress in economic reform until the arrival of the Simeon Government in 2001. King Simeon's Government deserve to be thanked and acknowledged. A student whom I employed and helped to train on Wall Street in 1993 went on to become Deputy Finance Minister in that Government in 2001, so in a small way I can say that I helped.

Romania, too, has suffered from long bouts of instability, poorly executed reforms and so on. In the early 1990s, as hon. Members have said, the country grabbed the headlines for all the wrong reasons because of its treatment of children, especially orphans. Crucially, both countries could have gone down the route to demagoguery, as happened in nearby Belgrade and, to some extent, Zagreb, but they wisely chose not to do so. Both were damaged economically by the sanctions on Yugoslavia—Bulgaria was even hit by a cruise missile—and both helped us out in Iraq. The political leaders and the peoples of the two countries deserve to be congratulated on the progress that they have made in those 15 years. We are grateful for the support they have given us on issues important to the United Kingdom.

Significant problems remain, and I shall address them briefly, as other hon. Members have already discussed them. First, corruption needs to be reduced. When I visited Sofia in 1996, gangster culture and Government corruption were very much in evidence. I met a man who said that he ran Sofia airport. He said that the Americans were terrible at business, because they would not pay the price necessary to secure a contract. He contrasted their approach to business with that of the Germans and Italians, so it was an enlightening conversation. Corruption is still in evidence, and it is probably worse than it is in the 10 countries that joined the EU in the past year. However, it has been reduced significantly in the past 10 years, which is an encouraging trend.

Secondly, as has been said, efforts must be made to continue to improve the status of minorities, notably the Hungarian minority in Romania, the Roma in Bulgaria and Romania, the few remaining Germans in Romania, the Turks in Bulgaria, and the Vlachs in Romania. Those minorities add a great deal to the culture of those countries. Thirdly, we must accelerate progress on free market reforms. Fourthly, progress should be made in reducing violent crime, especially in Bulgaria, which has suffered from assassinations. Finally, both states must boost co-operation with the west on issues such as drugs and people trafficking.

Mark Pritchard (The Wrekin) (Con): I agree that human rights and the other issues raised by my hon. Friend must be at the top of the list. However, as a member of the all-party group of Bulgaria and a friend of the country, I believe that, like Romania, it needs to do far more on animal welfare. I raised that with the Bulgarian Prime Minister last Thursday, and I am glad that his Government are taking the subject far more seriously. People who visit Sofia are put off by the sight of bear baiting on the streets, which is something that one does not see in Prague.

Mr. Hands: That is correct. Animal welfare was covered by my hon. Friends the Members for Shrewsbury and Atcham and for Totnes (Mr. Steen), but my hon. Friend the Member for The Wrekin (Mark Pritchard) is right to say that it must conform to European standards.

Much has improved with regard to trafficking, although the situation is by no means perfect. To some extent Bulgaria in particular will always have a problem with trafficking, because it is directly on the route from the middle east and the near east into Europe, but more needs to be done.

In conclusion, these accessions will add another 30 million people to the EU. Compared to last year's accession states, Romania ranks second in size, after Poland. Romania and Bulgaria have been members of Partnership for Peace for about 11 years and are now members of NATO. We should welcome them warmly and try to bring them round to the British view of the EU as a looser collection of states whose relationship is characterised more by free trade than by federalised institutions.

[Mr. Hands]

I am delighted that we are making good on the promises and pledges made by this country 15 years ago, including the promises and pledges made in the House in 1990. If democracy and free markets take root, Romania and Bulgaria must be welcome new members of the European Community. All of us who believe in these things should congratulate Romania and Bulgaria on their progress. We should urge further reforms, but warmly welcome the Bill.

7.1 pm

Mr. David Jones (Clwyd, West) (Con): Like hon. Members in all parts of the House, I warmly welcome the imminent accession of Bulgaria and Romania to the European Union. However, as a member of the all-party Romania group, I shall focus my remarks primarily on Romania—and, indeed, on the Bill.

Romania and the part of the world I come from, north Wales, have remarkably long links. In 1890 Queen Elizabeth of Romania journeyed to Llandudno, where she set up her court for several months. As a consequence, several streets in that town were named after that event. There is a Roumania crescent, a Roumania avenue and also a Carmen Sylva drive. Since then there has been a great affinity between the people of north Wales and the people of Romania.

David T.C. Davies (Monmouth) (Con): Is one of the connections between Wales and Romania the fact that both have been ravaged by decades of socialism?

Mr. Jones: It is true that a certain amount of socialism has been inflicted on Wales, but possibly not in the extreme form that Romania experienced.

Of all the European nations in the 20th century, Romania may have been the unluckiest. The century started with a period of civil unrest and ended with the impoverished legacy of Ceausescu's bloody rule. In the interim there was the division of the country by the Molotov-Ribbentrop pact, followed by several decades under communism, and the more extreme form of communism exemplified by President Ceausescu. It is a credit to the people of Romania that despite their travails throughout the last century, they remain optimistic about their future and want to play their part as a western nation.

It is particularly to the credit of the Romanian people that they look beyond the confines of the EU and have recently become full members of NATO. The hon. Member for Linlithgow and East Falkirk (Michael Connarty) expressed some concern about the presence of the Americans in Romania. I remind him that the Americans are also members of NATO. I believe that there is a delegation from America in Romania at present, looking to establish a NATO base near the Black sea.

There are admittedly real concerns overshadowing the proposed accession of Romania, especially with regard to the development of the economy, public health and corruption. For that reason a safeguard mechanism has been built into the treaty of accession. However, having spoken recently to Romanians, I know that there is great concern in Romania that the mechanism may be invoked to delay the country's accession by 12 months to 2008. I, for one, hope that that can be avoided.

Over the past 12 months, particularly since last December's elections, democracy in Romania has made significant strides forward. There is genuine enthusiasm for membership of the EU, which has complemented other political changes in the country. If the process of accession is delayed by 12 months, which may be the case under the terms of the safeguard mechanism, the political impetus that Romania has enjoyed over the past few months may be lost. I would be reluctant for anything to damage the enthusiasm that has built up over recent history in Romania.

Clearly, there are significant problems of corruption, which the Romanian authorities need to address, and under President Basescu they are doing so. It was pointed out by the hon. Member for North Antrim (Rev. Ian Paisley) that those who take a more jaundiced view of the European project would regard it as ironic that an institution whose Court of Auditors has repeatedly for the past 10 years refused to sign off the annual accounts is so picky about corruption in Romania.

The enlargement of the EU to encompass Romania and Bulgaria should be welcomed. It amounts to a widening of Europe, rather than the deepening that was so decisively rejected by France and Holland earlier this year. It sends out a message that Romania and Bulgaria are part of the European family, and that the EU is moving towards the outward-looking association of nation states, which is as it should be. If the EU had been more outward looking over the past 15 years, the accession of Romania and other eastern European nations may have been accelerated.

The presence of Romania and Bulgaria within the body of NATO must also be welcome. Our security as a continent and our relative peace over the past half-century are attributable not only to the European Union, but to the strong and effective Atlantic alliance. NATO and the EU are not mutually exclusive organisations, as they are seen to be by some on the continent. European nations should play their part in wider international arrangements; they should not simply be subsumed into the rigid corpus of a European state.

In short, progress has already been made in Romania. Certainly, much more progress has to be made, but I am sure that the character of the Romanian people, which many speakers have touched on this afternoon, will prevail. The Romanians will play their full role as part of a Europe of independent nation states and as part of the stabilising political force of NATO. I welcome the Bill.

7.8 pm

Mr. Mike Hancock (Portsmouth, South) (LD): I apologise to the House, especially those Members whose speeches I missed in my absence. I wrote to Mr. Speaker asking to take part in the debate, but was subsequently required to chair a Committee of the House—ironically, on the EU budget, which was interesting to say the least. I wrote to Members on both Front Benches and to my colleagues to tell them that I hoped to take part, and I was present for the opening

speeches of both the Minister and the Opposition spokesman. I was pleased with the Minister's opening statement, namely, that he had fulfilled the ambitions and commitments that all of us feel, and that right back to 1990 UK Governments had supported the endeavour to bring Romania and also Bulgaria within the European family. I would be disappointed if that did not happen on 1 January 2007.

As the current chairman of the British-Romanian all-party group, I am proud to say that my association goes back to December 1989 when the revolution was taking place in Romania. I was there and I remember only too well the enthusiasm of some, the doubts of many, and the fear felt by much of the population about the possible repercussions of what they had started. It was not until a few months into 1990 that we began to realise that that fear had started to ebb away and was being replaced with hope and enthusiasm for that beautiful country, in terms of it developing to full maturity and giving its citizens the opportunity for a better life.

During the time that I have been a member of the parliamentary delegation to the Council of Europe I have been responsible for writing reports on Romania and Bulgaria, as well as other former Soviet states. I have written about corruption, about trafficking and about institutions. I know such institutions very well because I worked in asylums in Romania. I know what it is like to work with children and adults in long-stay institutions—young men and women whose only existence had been among some of the worst horrors one could ever imagine; which would put to shame any human being associated with them; and which would defy any possible description that I could give. Nobody could suggest that that was a right and fit way to treat any other human being.

During the 15 years that I have been a regular visitor to Romania and Bulgaria, enormous steps have been taken by the people of those countries. A year ago, I wrote a report for the Council of Europe about taking young children out of institutionalised care. The situation is not perfect by any means—a lot still needs to be done. Having said that, I worked with children with disabilities in this country, and many of their parents told me that even here they struggled for 20 years or more to get proper recognition of children with disabilities. For a long time, the only solution was to put them in long-stay institutions. That took us up until the 1980s, when we started to think about care in the community without providing the resources to ensure that the community could properly care. It would not do justice to what has been achieved to expect the reversal of the horrors of Ceausescu, and for that matter what happened in similar institutions in Bulgaria, in a very short space of time with nowhere near the resources that we had. Staff have been trained, mentalities have been altered, and people in the community generally want to see children back where they belong, wherever possible—properly supported in their families.

One of the failures of the past 15 years in both countries has been that of EU countries to support the political process within political parties. Politicians lived in the expectation that they would win the next election, but they had no chance of winning the one after that. It was a question of their getting power, then using and abusing it in the knowledge that the overwhelming majority of people would reject them at the next election. There was no consistency in working as opposition parties. The EU put little effort and few resources into stabilising the political processes in countries such as Romania and Bulgaria. Without that, democratic processes will always be subjected to abuse and failure.

Corruption is another problem in those countries. When the Romanian President was here last week for the Hampton Court meeting, I asked him whether the Romanian people were comfortable about the changes that were being proposed. He said that corruption will start to be proven to be dealt with when investors feel safe to invest in Romania and western countries and others invest large sums of money there without having to answer the niggling question of how much it will cost to get a particular deal. That process was started by former Prime Minister Nastase. I give credit to that Administration for doing two good things. First, they started properly to resource social care for children, albeit under a lot of pressure from the EU; and secondly, they tried to tackle corruption and create confidence in inward investment into Romania. The current Prime Minister and the Liberals are working hard to follow that commitment, and the current President is determined to make a great effort to try to pull off the coup of taking down someone in a position of power who is known to be corrupt. The willingness to find the necessary evidence to do that has not been there in the past, but now the challenge is starting to be addressed realistically, particularly in Romania.

My first drive in Romania was along the road from Brasov to Ploesti. The British and Americans bombed the city of Ploesti heavily in the second world war. Many of its people have unpleasant memories of horrendous bombing, day after day, night after night, in 1943 and 1944. When I stopped at the side of the road, I had never in my life seen such rich soil and agriculture. Romania has the largest cultivable space in Europe, bigger than Spain or even France—4.5 million hectares of rich soil where one can grow virtually anything. It is amazing that such a rich country was destroyed so stupidly by politicians who did not have an inkling of what they could have done with those resources. The country went from being gold-rich to oil-rich to land-rich.

Many hon. Members, notably the hon. Member for Hammersmith and Fulham (Mr. Hands), talked about the character of the Romanian people. It is obvious to anyone who has been there that they have a resilience and a willingness to work hard and to try to make a success of their country. I am heartened by the fact that many of the people whom I met in 1989 and 1990, having left Romania, are now back there because they want to give their country some of the knowledge and opportunities that they have been granted elsewhere.

The same can be said of Bulgaria, where I recently wrote a report about children and trafficking. It is sickening to see any child who is exploited and trafficked. However, the situation has moved on considerably in 15 years. Over the past three or four years there has consistently been a willingness first, to admit to the problem, and secondly, to start to deliver some of the solutions. I am heartened by that response.

Countries such as Romania and Bulgaria have been under enormous pressure in relation to children being adopted by Americans and people from other countries who are in favour of international adoption. One

[Mr. Mike Hancock]

hon. Member spoke about the problems involved in international adoption in countries in the EU, but that should not be happening. The people who are adopting those children are doing so illegally in Sweden, France and Germany, and perhaps even still in the UK. *[Interruption.]* The hon. Member for Hammersmith and Fulham says from a sedentary position that the German Chancellor illegally adopted; I do not think that he did.

I, for one, am not completely opposed to international adoption. For some children, it will be their only opportunity to have a good life—the sort of life that many of us have taken for granted. A ban on international adoption is not the answer. A ban on illegal international adoption without proper checks and balances, and without proper care being put into it, is part of the answer. What is really needed is for proper resources to be provided so that children can be cared for by families who are prepared to adopt inside these countries, but that has not been easy to achieve.

If we do not give Romania and Bulgaria the green light, we will disappoint countless millions of people in both countries. If Romania and Bulgaria are not granted accession to the EU, agricultural workers, steelworkers, the young unemployed and the elderly living on meagre pensions will pay the price. Those people need to be confident that, for the first time in most of their lifetimes, the political structures are in place to allow their countries to care for them properly, to give them a decent education and somewhere to live, to protect them when they are unhealthy and to provide them with an opportunity to fulfil their true potential. Those goals are idealistic, but young people in Romania say that that is what they will get out of joining the EU.

It is too easy for us to be too critical of both countries. The benchmark was set by the EU's acceptance of countries such as Latvia, which has more than 1 million non-citizens, and Slovakia, where the Roma people have encountered many difficulties—a blind eye has also been turned to the abuse of the Roma in countries such as the Czech Republic. It would be wrong to set the benchmark so high that it is impossible for Romania and Bulgaria to join.

As a democratic assembly, we must help to strengthen the political process in both countries and ensure that the EU properly examines the funds associated with the accession process. I have just chaired a Committee discussing the EU's forthcoming budget, in which one theme was the appalling way in which the EU currently deals with corruption within its own budgetary system. As other hon. Members have said, the EU's criticism is a case of the pot calling the kettle black.

The accession funds for Romania and Bulgaria are of critical importance to the people of those countries, and if they are squandered those countries and those peoples will suffer. While the Government have the EU presidency, I urge them to ensure that the monitoring process is rigidly adhered to and that the funds are properly monitored and directed in a way in which we can all be confident. Given the hundreds of millions of euros that are being put into those countries, it is strange that the EU offices in Bucharest and Sofia are conducting such limited scrutiny of the operation, and we need a greater understanding of why those funds must be focused in certain ways.

Anyone who has been to Romania in the past few months and visited the areas devastated by flooding will see that the infrastructure is shot. The situation is disastrous for the county councils and municipal authorities, which cannot recover. Those bodies will get some help from national Government and a trickle-down of help from the EU, but that is nothing like the resources that we should have been able to commit to put the infrastructure back together. The people who are living in tents in Transylvania and on the Moldovan border face a harsh winter because they have nowhere to live.

Earlier, hon. Members intervened on the Minister on the health issue. In London last week, the Romanian President gave an assurance that Romania is tackling it and delivering much-needed resources to combat the spread of bird flu. Anyone who has been in Romania in the past few weeks will have witnessed the measures that have been implemented, which are a credit to the country. However, anyone who has been to the beautiful Danube delta, which is inhabited by exotic birds at certain times of year, will know that it is an impossible task to trace every bird that dies from or becomes infected by avian flu.

Today, we have an opportunity to do the right thing by people who have had the wrong things done to them for too long. I applaud the Government's efforts in getting the legislation through this House and support wholeheartedly the Minister for Europe's determined effort to ensure that accession happens at the earliest opportunity and that no delays occur.

7.25 pm

Miss Anne McIntosh (Vale of York) (Con): We have had an excellent, albeit intimate, debate, and I welcome the Bill on behalf of the official Opposition.

I do not want to expose the Minister for the Middle East, who will wind up the debate, to internal grief, but when Greece joined the EU in 1981 and Spain and Portugal joined in 1986 the Labour party was not only against enlargement but against membership of the EU: how times change.

The hon. Member for Newcastle upon Tyne, North (Mr. Henderson) spoke eloquently about the inspiration of the people. We cannot accuse bureaucrats in Romania and Bulgaria of being inspired, but he is right that we must carry with us the inspiration of the people to ensure that Euroscepticism, which we saw in some applicant countries in the run-up to their votes on accession, does not emerge in Bulgarian and Romanian national newspapers.

Like me, the hon. Member for Sheffield, Hallam (Mr. Clegg) has had the benefit of being a Member of the European Parliament. He reminded us that the accession of Romania and Bulgaria will lead to a Europe of 500 million citizens, and we warmly welcome that increase in the size of the marketplace. He addressed the question of how to make an enlarged EU sustainable and, like my hon. Friend the Member for Totnes (Mr. Steen), referred to the Commission report and drew the conclusion that a great deal remains to be done.

I want to spend a little time on the contribution of the right hon. Member for Rother Valley (Mr. Barron), and not only because he is from Yorkshire. He referred to Romanian visas, and I hope that he was not accusing his own Prime Minister of being hysterical, because at Prime Minister's questions in February 2004 the Prime Minister accepted that it is a real issue.

I draw the right hon. Gentleman's attention to page 44 of the excellent Library note prepared for the Second Reading debate:

"In the spring of 2004, allegations that ECAA"—

European Community association agreement—

"applications were being abused were made by a member of the Immigration and Nationality Directorate staff (Steve Moxon) and then by James Cameron, the Entry Clearance Manager and Consul in Bucharest. The Government ordered investigations which resulted in two reports on the handling of these applications." *[Interruption.]*

Mr. Deputy Speaker: Order. The House takes a very dim view of electronic devices. I am not sure whether this one belongs to a Member or whether it is part of the system. As I cannot see the culprit, I suggest that we proceed.

Miss McIntosh: And then there was calm.

The first report confirmed that there was evidence that that category had been exploited and described a serious failure in the operation of the scheme. The second report identified the exploitation of the scheme and recommended new management measures. As a result of that report, to which the official Opposition drew attention, two written ministerial statements were crafted, and I am sure that the right hon. Gentleman recalls that changes were made in management practices.

Mr. Barron: May I ask the hon. Lady to take my word for it? Before those reports were drawn up, I was party to a deal with three of your Back Benchers—

Mr. Deputy Speaker: Order. I hardly need remind the right hon. Gentleman to use the correct parliamentary language.

Mr. Barron: Three Opposition Back Benchers tried to get the agricultural workers scheme reintroduced before the reports were completed so that Essex farmers in Tory constituencies could get their crops picked by Bulgarian people from Sofia university. The hon. Lady's leader dragged someone through the television studios, thus creating a problem.

Mr. Deputy Speaker: Order. I do not want the hon. Lady to be tempted too far down memory lane. We should concentrate on the Bill.

Miss McIntosh: I have made my point and I am delighted that the right hon. Gentleman has conceded it.

I warmly welcome the remarks of the hon. Member for North Antrim (Rev. Ian Paisley), with whom I had the pleasure to serve in the European Parliament. As he said, Romania in particular needs our help. He told some moving tales of religious persecution that struck a chord with all hon. Members. He did not need to remind us that he is not a fan of the European Commission because we have heard that on several occasions. However, he stirred the Opposition's hearts by saying that it was better to broaden the European Union by bringing in new countries than to deepen it. I join him in wishing Bulgaria and Romania well and I hope that he shares our vision of a more open, more flexible and wider EU.

I have a high personal regard for the former Minister for Europe, the hon. Member for Leicester, East (Keith Vaz)—former Ministers for Europe are growing in number so I hope that that is not a bad sign for the current Minister. The hon. Member for Leicester, East said that the Bill was special and that it united all parties. I could not agree more. Perhaps he will reflect on my remarks about the Labour party's position on previous enlargements and thus form a more mature view of the Opposition's position. He referred especially to clause 2 on the worker registration scheme. I hope that he accepts that I have dealt with that point.

I listened with great interest to the comments of my hon. Friend the Member for Banbury (Tony Baldry) about the significant success that the various stages of EU enlargement represent for UK foreign policy. I concur with his conclusion that a phenomenal amount of work remains to be done but, as he said, the success of the EU and our membership of it depend on our being competitive. No one should owe any member of the EU a living. We must be competitive and work hard at that.

My hon. Friend also said that we need to reform the common agricultural policy and I agree that we expect great things of the Doha round. I urge the Minister for Trade to convey a strong message from the House about that. Our expectations of a good deal are high. I shall have a private word with him afterwards about the sugar beet growers in the Vale of York.

I was delighted to hear the remarks of the hon. Member for Luton, North (Kelvin Hopkins), who again drew attention to the need to reform agriculture and spread wealth around. He referred especially to poverty levels in Romania and Bulgaria.

My hon. Friend the Member for Totnes mentioned border controls and especially the fact that we are currently asking a lot of the Commission, given the limited number of officials at its disposal.

The hon. Member for Linlithgow and East Falkirk (Michael Connarty) was one of several hon. Members who referred to anxieties about the Roma people. We take that matter seriously and I hope that Government Front Benchers note his remarks and my concurrence with them. The position of all the minorities, especially the Roma people, has to be tackled. I should like the Government to outline a timetable this evening for their endeavour to do that.

My hon. Friend the Member for Shrewsbury and Atcham (Daniel Kawczynski) spoke with genuine passion and experience. He referred to a previous Labour Government's support for the former communist regime and the genuine fear that that inspired.

Mr. Deputy Speaker: Order. The debate has been well conducted so far and I trust that hon. Members on both Front Benches will ensure that it finishes that way.

Miss McIntosh: I am most grateful, Mr. Deputy Speaker.

As I expected, the hon. Member for Moray (Angus Robertson), with whom I had the honour to serve on the European Scrutiny Committee, gave a warm welcome to the new applicant members and their accession plans. He welcomed them to their natural home. Again, I agree with that.

I was impressed by the speeches of my hon. Friends the Members for Hammersmith and Fulham (Mr. Hands) and for Clwyd, West (Mr. Jones). My hon. Friend the Member for Hammersmith and Fulham reminded us that Greece will have an overland connection to Europe. Perhaps we can concentrate on improving that connection and get the Italians away from their obsession with a bridge over the straits of Messina, which I remember with some fondness from my days in the European Parliament. My hon. Friend raised concerns about corruption, minorities, drugs and people trafficking. My hon. Friend the Member for Clwyd, West spoke specifically about Romania's close links with north Wales but also commented on its being perhaps the unluckiest of all the applicant countries so far.

The Minister for Europe said that the Bill enables the accession treaty to be implemented in UK law and approves provisions of the accession treaty in so far as they relate to the powers of the European Parliament. He also said that the Bill includes powers to make provision on the entitlement of Bulgarian and Romanian workers to work and reside in the UK. I followed the words of wisdom of my hon. Friend the Member for Altrincham and Sale, West (Mr. Brady) on that with great interest. He said that there was a compelling outstanding question. The hon. Member for Moray can now write to the employers in his constituency to tell them that the Opposition are interested in such issues.

We expect the Minister for the Middle East to announce in his winding-up speech when the Government will announce whether the entitlement for the workers from Romania and Bulgaria will be issued immediately or whether there will be a transitional period. Can we expect any more one-legged roofers and electricians who are not in possession of all the equipment that they might need? If we are to raise the expectations of workers from those countries, it is important to tell them now when the benefits will be extended to them.

Several hon. Members raised anxieties about the EU budget. I should like the Minister to confirm whether the UK will block overall expenditure within a limit in the EU. Will the Government give a commitment to do that? Will the Minister tell us which other member states currently support our view? That will give an indication of whether we are likely to achieve that goal.

Andrew Mackinlay: In retrospect, do the Conservative Opposition regret having opposed the generous and wholly correct decision of the Prime Minister to allow the free movement of labour from day one? It has been highly successful. I hope that she will recant because I hope that she will be served in London restaurants in future. It is time that we were told because the Conservatives claim that they will not oppose the Bill—I welcome that—but they want to have it both ways. They want to say that they support accession while peddling a rather mean line on workers. At the next municipal and European elections, I and many other hon. Members will remind the large, additional electorate of the identity of those who supported access from day one.

Miss McIntosh: As always, the hon. Gentleman makes an interesting and positive contribution. We have asked a question, and we would like to know from the Minister whether the workers from Romania and Bulgaria will enjoy exactly the same terms as those from the 10 new member states. I am sure that the hon. Member for Thurrock (Andrew Mackinlay) will accept the point that we are making.

I would also like to ask the Minister whether the two applicant countries will have the ability to meet the acquis communautaire in the same time frame that applied to the 10 countries that have recently joined the European Union. Also, will he give the House his response to the points raised about avian flu? At least two ducks have been caught in Romania, and there is a fear that the infection could spread from migratory birds. Several of my hon. Friends have raised the very real question of inadequate border controls, and those of us who have poultry producers—and, indeed, a number of wild ducks—living in our constituencies want to know how the Minister will address that issue.

Several points remain to be addressed, including the free movement of workers, and the vexed question of people trafficking. The hon. Member for Thurrock mentioned waitresses. A number of young women from Bulgaria and Romania will be applying to work as waitresses in various parts of the European Union, and they could be exploited in other ways. We would like to know what provisions will be put in place to prevent their exploitation in any other way than that intended by the treaty. We also want to hear from the Minister what his Government are doing to bring pressure to bear on Romania and Bulgaria, given that the European Commissioner for Enlargement has noted—particularly in relation to Romania—that no corruption cases have been prosecuted to date. No person, official or otherwise, in those countries should be allowed to be seen to be above the law.

There are many reasons why we support the Bill, but perhaps the most profound is that we believe that it will be a test of the Government's commitment to the European Union if they are able to answer our questions tonight and during the brief passage that I am sure the Bill will have through the House.

7.42 pm

The Minister for the Middle East (Dr. Kim Howells): I welcome this evening's debate. The Minister for Europe, my right hon. Friend the Member for Paisley and Renfrewshire, South (Mr. Alexander) set the tone for what has been a very constructive debate, and I welcome the largely positive speech from the hon. Member for Altrincham and Sale, West (Mr. Brady). His words have been echoed by the hon. Member for Vale of York (Miss McIntosh).

I would also like to say how much I enjoyed and appreciated the speech made by the hon. Member for North Antrim (Rev. Ian Paisley). It was inspirational, and, if I had not already been raised a good Wesleyan in Trecynon in Aberdare, I might have taken up the cause of the Baptists in Romania. But that is a problem for history. I bet history is very glad that I did not take it up.

I am sure that the representatives of Romania and Bulgaria will have noticed the bipartisan spirit in which this discussion has been conducted. I use the adjective "bipartisan" carefully, because the hon. Member for Moray (Angus Robertson) was a bit upset earlier by the idea that the discussion was between only three parties. He made a good point. This has been a very good debate, and it has drawn constructive views from all the parties represented in the Chamber tonight—although I notice that the Welsh nationalists were not present.

The Romanians and Bulgarians can be sure that this country will welcome them into the European Union as equals and partners. Some concerns have been raised in the debate and I will try to respond to them, but let me start with some general observations. The United Kingdom has always been a strong supporter of enlargement. It is a policy that has consistently enjoyed cross-party support. Indeed, as early as March 1991, the then Prime Minister, John Major, argued that the ultimate destiny of eastern Europeans was membership of the then European Community. It is not difficult to see why.

Successive enlargements have led to a stronger, more stable and secure Europe. We need only look at last year's accession of the 10 new member states from eastern and central Europe to see the new economic opportunities brought by enlargement. The prospect of membership helped to boost the candidate countries' economies. We have heard several accounts today, including that of the hon. Member for Moray, of the huge difference that membership has made in a short period of time. Such differences can be contrasted with conditions in some other parts of the world, where countries ought to have made similar progress but have not. This is proof of what the EU can do. Now, we see growth rates as high as 8.3 per cent. in Latvia and 5.3 per cent. in Poland.

This is a win-win situation. High growth provides job opportunities and helps to raise living standards in the new member states. It also provides new trade and investment opportunities for the United Kingdom. Indeed, since May 2004, British businesses have benefited from new opportunities in a market that has more than 70 million new consumers. A good example is Tesco, which now has 25 supermarkets in Slovakia. As the hon. Member for Hammersmith and Fulham (Mr. Hands) reminded us, there are 30 million people in Romania and Bulgaria to add to that market. That is an important consideration.

Enlargement also means that we live in a more secure Europe. It has led to closer co-operation on border control and on tackling organised crime. New member states have brought experience and knowledge of specific regional problems. Their expertise has enabled us to get one step ahead of the drug and human trafficking gangs working through eastern Europe. The arrests of sex traffickers in Sheffield last month came about through co-operation with new member states' police forces, which represented an enormous step forward.

One of the most striking successes of enlargement is the way in which it has spread democracy and stability across Europe, as has been mentioned today. For many of the new member states, and for Romania and Bulgaria, military and authoritarian rule is still a recent memory. It was only 15 years ago that people took to the streets demanding change. Since then, the prospect of EU membership has driven and supported political developments. For many eastern Europeans, EU membership represents the final step in their country's transformation from dictatorship to democracy. Lech Walesa's statement on 1 May 2004, when Poland became a member state, sums that up well:

"I fought for our country to recover everything it lost under communism and the Soviets . . . and now my struggle is over. My ship has come to port".

Romania and Bulgaria are also coming to the end of their journeys. Their paths have not been easy. Tonight, we have heard some of the most moving accounts that we are ever likely to hear of what life was like under those authoritarian regimes. I found them a real inspiration. The House is constantly criticised from outside, but I do not know of any other venue in which Members can come together to share such a wealth of experience. I very much hope that this debate is reported and that the public pay attention to it. It is extremely important that that should happen but, as usual, the Press Gallery is a little empty. No doubt they are all watching the debate on television.

It is clear that more work still needs to be done. However, the significant changes that have already taken place are a credit to the vision, energy and determination of the peoples and Governments of Romania and Bulgaria. I know that those qualities are there. I was lucky enough to visit Romania three times, and to travel to the industrial areas of the north. The hon. Member for Shrewsbury and Atcham (Daniel Kawczynski) is not here at the moment, but I should like to tell him that there are many hon. Members who have shared that kind of experience.

The hon. Members for Altrincham and Sale, West and for Moray, and my hon. Friend the Member for Leicester, East (Keith Vaz) spoke about the free movement of workers, which is an important issue. A decision on whether Romanian and Bulgarian nationals will be given complete access to the labour market will be taken closer to their countries' accession.

It would certainly be premature to make any decision now without sufficient information and planning. A final decision will be made after full consideration of the state of the domestic labour market, other member states' decisions and further analysis of our own experience of the last accession. We will of course seek Parliament's approval before setting the terms of access.

The worker registration scheme for A8 nationals was an overwhelming success, and I think it will continue to be. We have heard some terrific tributes to it. The policy brought real benefits to the United Kingdom economy. I was glad—as, I know, were others—to hear accounts of the way in which economies far-flung from London had benefited.

Skills shortages are not limited to rural areas. I remember that we suddenly noticed in Pontypridd that there were a good many Portuguese bus drivers.

[Dr. Kim Howells]

That was because the bus companies could not recruit drivers in our area, and it has made a big difference. We began to recruit rugby players from Samoa and New Zealand at the same time.

Many questions were asked today about Romania and Bulgaria's readiness for accession. It is in all our interests for them to be ready for accession on 1 January 2007. The hon. Member for Clwyd, West (Mr. Jones) stressed that that should happen sooner rather than later, and I could not agree with him more.

Keith Vaz: Is my hon. Friend telling us that the scheme will apply to Romanians and Bulgarians, and will he give us a timetable?

Dr. Howells: I have made it clear that we will look at that closely and agree on the terms once accession is agreed. We will be in a much better position to make such decisions when we are closer to the date.

Andrew Mackinlay: I see that the Minister for Immigration, Citizenship and Nationality is sitting next to the hon. Gentleman. Can he tell us whether, between now and the date of accession, visa requirements will be relaxed for people coming to the United Kingdom from Bulgaria and Romania? That was done in respect of the 10 accession countries, and it worked well.

Dr. Howells: The answer is no, but we will examine the position nearer to the date.

A series of safeguards can be applied after accession in the event of potential breaches of the internal market, substantial failings in the justice and home affairs pillar, or major weaknesses in economic sectors.

We have discussed a number of specific concerns, including corruption and organised crime. The hon. Members for Altrincham and Sale, West and for Sheffield, Hallam (Mr. Clegg), my right hon. Friend the Member for Rother Valley (Mr. Barron) and my hon. Friend the Member for Caerphilly (Mr. David), the hon. Members for North Antrim and for Totnes (Mr. Steen), my hon. Friend the Member for Linlithgow and East Falkirk (Michael Connarty) and the hon. Members for Hammersmith and Fulham (Mr. Hands) and for Clwyd, West all asked important questions about the subject.

Corruption and organised crime are still serious problems, and I hope those who asked about them realise that we know that. There is no doubt that both countries need to take immediate action. We heard about some of the steps that have already been taken, including the important step mentioned by my hon. Friend the Member for Caerphilly. We are working closely with both countries. There has been encouraging progress, such as the tackling of petty corruption in Bulgaria, but further efforts are needed in the fight against high-level corruption. The recent violent organised-crime killings in Bulgaria are a stark reminder of the problems that the country faces. Criminals cannot be allowed to act above the law, and there must be robust action to rein in such elements. We will give all the co-operation we can to ensure that that happens.

Mr. Hendrick: Does my hon. Friend agree that reform of justice and home affairs, and also economic reform, will take place much faster within a European Union of 27 than it would if the additional countries were refused entry, and continued to allow those crimes to fester?

Dr. Howells: I do agree. I think that in general there has been a bipartisan approach to the issue today, and broad agreement that this is the best if not the only way forward. I hope that the success experienced so far will continue.

We are working on the issue of border controls, which was raised by the hon. Members for Altrincham and Sale, West, for Totnes and for Moray. On accession, Romania will have the second-longest external EU border. The hon. Member for Moray gave us an important lesson in geography and culture. I could not write fast enough to take it all down, but it would have been great if I had been able to, because I could have used it in pub quizzes. There were so many useful facts.

The hon. Gentleman explained how the borders had shifted. He gave a vivid account of being on a lake which, at the time, was on the eastern border of the European Union. I think he said that it was the Austrian-Hungarian border. That worked, and this will work. We must make sure that the resources are there, and that we share our skills and those of other EU states with the new member countries.

The Commission pointed out that neither country currently has enough border infrastructure. Improvement is needed. Funds have been provided, but training and the updating of border facilities needs to be accelerated. We are working to help implement those reforms, and we are making progress as has been demonstrated by recent drug seizures. As a number of Members said, the area is on the trail from Afghanistan through Turkey and into western Europe. We know that more than 90 per cent. of the heroin used in Europe comes via that route. It is therefore a big issue for us and for the whole of Europe, not just for those countries. That is why it is so important that they can benefit from EU membership.

We heard, from the hon. Member for Portsmouth, South (Mr. Hancock), a moving account of the plight of children in Romania. I think we have all learnt from it. The plight of institutionalised children is of concern to all of us in the House. In Romania, the poor living conditions of so many children is a lasting legacy of the Ceausescu era. Although many aspects of his authoritarian rule have been eradicated, the issue still remains. We want to see rapid progress in improvement of conditions for children in both countries. The EU accession process has led to some improvements, but both Governments recognise that more resources and work are needed. The EU will continue to work closely with them to bring about substantial changes.

Cyprus, Hungary, Slovakia and Slovenia have already ratified Romania and Bulgaria's accession treaty. It is no surprise that those new member states have been the first to endorse the next stage of enlargement. They know what benefits it will bring to Romania and Bulgaria, and also to the rest of the EU. We too should be ready to ratify the treaty as soon as possible. Enlargement is a real success story for the United Kingdom: it has created new opportunities, and helped us to combat serious problems such as people-trafficking and organised crime.

Questions have been raised about Romania and Bulgaria's readiness for membership. As I have said, safeguards are there in case either country is not ready for membership; but I reiterate my hope that both will be ready for accession on 1 January 2007. I recall people saying in 1986 that Portugal and Spain were not prepared for EU membership. Let us look at those two countries now; they are strong economies and dynamic societies, and I cannot imagine a European Union without them. Nor, I am sure, can any other Member present.

Romania's and Bulgaria's accession is good for the UK, good for the EU and good for both countries. As Lech Walesa might have said, let us bring their ships into port. I commend this Bill to the House.

Question put and agreed to.

Bill read a Second time.

European Union (Accessions) Bill

Motion made, and Question put forthwith, pursuant to Standing Order No. 83A(6)(Programme motions).

That the following provisions shall apply to the European Union (Accessions) Bill:

Committal

1. The Bill shall be committed to a Committee of the whole House.

Proceedings in Committee, on consideration and Third Reading

2. Proceedings in Committee, any proceedings on consideration and proceedings on Third Reading shall be completed at one day's sitting.

3. Proceedings in Committee and any proceedings on consideration shall (so far as not previously concluded) be brought to a conclusion one hour before the moment of interruption on the day on which those proceedings are commenced.

4. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion one hour after the commencement of those proceedings or at the moment of interruption on that day, whichever is the earlier.

5. Standing Order No. 83B (Programming committees) shall not apply to proceedings in Committee and on consideration and Third Reading.

Programming of other proceedings

6. Any other proceedings on the Bill (including any proceedings on consideration of Lords Amendments or on any further messages from the Lords) may be programmed. —*[Mr. Dhanda.]*

Question agreed to.

8 pm

The Leader of the House of Commons (Mr. Geoffrey Hoon): I beg to move,

That Sir Patrick Cormack be discharged as a member of the House of Commons Commission under the House of Commons (Administration) Act 1978, and David Maclean be added.

This first motion and the other three motions relating to appointments are entirely routine, but it may be for the convenience of the House if I briefly set out the circumstances underlying each one. I will then turn to the motion in the name of the right hon. Member for Hitchin and Harpenden (Mr. Lilley) relating to the House of Commons Members' Fund. I hope that colleagues in all parts of the House will agree that the motions are uncontroversial and can certainly be supported.

The motion relating to the House of Commons Commission flows from the decision by one of its three Back-Bench members, the hon. Member for South Staffordshire (Sir Patrick Cormack), to retire because of other commitments. He has given strong and consistent service to the Commission. We thank him for that and wish him well in his work as Chairman of the Northern Ireland Affairs Committee. He is to be replaced by the right hon. Member for Penrith and The Border (David Maclean). I am sure that Members will have the greatest confidence in the wisdom and experience that the right hon. Gentleman will bring to the deliberations of not only the Commission but the Members Estimate Committee, given that membership of one flows from membership of the other. Of course, it is fair to say that his contribution to the House in recent years has been notable for its silence. Although we will all acknowledge that it is slightly unusual to have the Opposition Chief

[Mr. Geoffrey Hoon]

Whip filling a Back-Bench place on the Commission, we also understand that this is likely to be temporary only, until the Conservative party leadership contest has been settled—a subject that we are of course all fascinated by.

I turn to the Public Accounts Commission motion. Under the National Audit Act 1983, seven of the nine members of the Commission are appointed by the House. Two of its members in the last Parliament—Mr. Bill O'Brien and Mr. Roy Beggs—are no longer Members of the House following the general election, thereby leaving the Commission two short of its full complement. The motion therefore proposes that their places be filled by my hon. Friend the Member for Broxtowe (Dr. Palmer) and the hon. Member for South Antrim (Dr. McCrea). Under the motion, the hon. Member for Tatton (Mr. Osborne) is replaced by the hon. Member for South Norfolk (Mr. Bacon), in recognition of the fact that the former is now a member of the shadow Cabinet. I pay tribute to the work of all three colleagues and ex-colleagues. I know that the House will have full confidence in the contributions of the new appointments.

The parliamentary contributory pension fund and House of Commons Members' Fund traditionally have an overlapping body of trustees. Two of the present trustees on both funds, Mr. John Burnett and Mr. Tony Colman, have now left the House. In addition, Lord Stewartby, who is the pensioner trustee for the pension fund, is retiring from the post. I am sure the whole House will want me to thank them—and, indeed, all the trustees who carry out time-consuming and sensitive work on our behalf—for all that they have done. Following discussions in the normal way, it is proposed that they be replaced by the hon. Member for North Devon (Nick Harvey), my hon. Friend the Member for Sheffield, Attercliffe (Mr. Betts) and Lord Naseby. Again, I am sure that colleagues will want me to express our gratitude to them for taking on this work.

The House of Commons Members' Fund appropriation motion will be moved formally by the right hon. Member for Hitchin and Harpenden, as chairman of the Members' Fund trustees. I will leave him to speak to it in more detail. In essence, it provides for the fund to have access to the Members' estimate grant in aid and Members' contributions, for the purpose of paying discretionary awards to former Members and their widows or widowers. It is required annually, and I ask the House to support this, and all the other, motions.

8.4 pm

Chris Grayling (Epsom and Ewell) (Con): I have nothing much to add to the Leader of the House's remarks, except to pay brief tribute to the work of those being discharged from Committees. I pay particular tribute to the work that my hon. Friend the Member for South Staffordshire (Sir Patrick Cormack) did on behalf of the House of Commons Commission, of which he has been a distinguished member for the past few years.

8.4 pm

Mr. David Heath (Somerton and Frome) (LD): We concur.

8.5 pm

Mr. Peter Lilley (Hitchin and Harpenden) (Con): I shall briefly explain the purpose of the motion relating to the House of Commons Members' Fund, and the purpose of the fund itself. There are two kinds of beneficiaries of the fund, all of whom are either elderly members of it, or their dependants. Recurring as-of-right payments are made to those who are not entitled to a parliamentary pension because they left the House before 1964, or because, as widows or widowers of former Members, they have their small parliamentary contributory pension fund benefits topped up. In addition, some beneficiaries receive discretionary payments because of hardship and their personal circumstances. The discretionary payments can be recurring in order to improve a person's standard of living; more frequently, they are one-off grants to improve quality of life, or to facilitate a minor home adaptation.

The fund currently has some 120 beneficiaries. The average value of the recurring payments is a modest £2,000 per annum. A handful of one-off grants are made each year, with an average value of about £5,000 per annum. Such relatively small sums can make a big difference in some circumstances.

The fund is governed by a variety of Acts of Parliament that stipulate the basis on which payments can be made and the amounts payable. The legislation is exceptionally complex and not understood by anybody, including the fund's trustees. We undoubtedly ought to regularise the legislation at some future stage, and the trustees hope to work with others, including the Leader of the House, to do so in the coming period. But the legislation does require that we appropriate the contributions that all Members make each month, and the £215,000 a year that the Treasury contributes, in order to make such money available to pay for the grants that we make to Members as of right, and on a discretionary basis. This motion gives effect to that, and I hope that the House will support it.

I take this opportunity to pay tribute to my fellow trustees and the departing trustees, and to welcome the new trustees to the fund.

8.8 pm

Mr. Eric Martlew (Carlisle) (Lab): I shall not keep the House long. Since we last appointed a retired Member of the House as a trustee, the retired Members association has been set up. In future, we should perhaps consult the association and more widely in order to establish who the pension trustee should be. As it stands, we could well be contravening the terms of the Pensions Act 2004. I do not ask that a change be made tonight, but I do ask the Leader of the House to take cognisance of my comments.

Mr. Hoon: With the leave of the House, I shall deal with the one point that has been raised. Nominations to replace retiring trustees have come forward in the usual way. In fact, there is no legal obligation to consult any particular organisation, but we do take account of that point when there are new regulations under the scheme. A retired Members association would be an appropriate body to consult in such circumstances. I hope that my hon. Friend the Member for Carlisle (Mr. Martlew)

recognises, however, that the trustees' work is quite onerous. I pay tribute to the right hon. Member for Hitchin and Harpenden (Mr. Lilley) and disagree with his modesty. He does understand these arrangements, as I have learned to my cost in correspondence with him. It is important that the House have such expertise available to it, and I pay tribute to him and to the other trustees who do such important work for us.

Given that the hon. Member for Somerton and Frome (Mr. Heath) set such a good example, I shall not detain the House any longer.

Question put and agreed to.

PARLIAMENTARY CONTRIBUTORY PENSION FUND

Ordered,

That John Burnett, Tony Colman and Lord Stewartby be discharged as Managing Trustees of the Parliamentary Contributory Pension Fund and Mr Clive Betts, Nick Harvey and Lord Naseby be appointed as Managing Trustees in pursuance of section 1 of the Parliamentary and other Pensions Act 1987. —*[Mr. Heppell.]*

HOUSE OF COMMONS MEMBERS' FUND

Ordered,

That John Burnett and Tony Colman be discharged as Managing Trustees of the House of Commons Members' Fund and Mr Clive Betts and Nick Harvey be appointed as Managing Trustees in pursuance of section 2 of the House of Commons Members' Fund Act 1939. —*[Mr. Heppell.]*

PUBLIC ACCOUNTS COMMISSION

Ordered,

That Mr Richard Bacon, Dr William McCrea and Dr Nick Palmer be appointed members, and that Mr George Osborne be discharged as a member, of the Public Accounts Commission under section 2(2)(c) of the National Audit Act 1983. —*[Mr. Heppell.]*

HOUSE OF COMMONS MEMBERS' FUND (DISCRETIONARY PAYMENTS)

Resolved,

That pursuant to section 4(4) of the House of Commons Members' Fund Act 1948 and section 1(4) of the House of Commons Members' Fund Act 1957, in the year commencing 1st October 2005 there be appropriated for the purposes of section 4 of the House of Commons Members' Fund Act 1948:

(1) The whole of the sums deducted or set aside in that year under section 1(3) of the House of Commons Members' Fund Act 1939 from the salaries of Members of the House of Commons; and

(2) The whole of the Treasury contribution to the Fund in that year.—*[Mr. Lilley.]*

DELEGATED LEGISLATION

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Standing Committees on Delegated Legislation),

Fees and Charges

That the draft Consular Fees Act 1980 (Fees) (No. 2) Order 2005, which was laid before this House on 11th October, be approved. —*[Mr. Heppell.]*

Question agreed to.

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Standing Committees on Delegated Legislation),

Dangerous Drugs

That the draft Misuse of Drugs Act 1971 (Amendment) Order 2005, which was laid before this House on 11th October, be approved. —*[Mr. Heppell.]*

Question agreed to.

PETITIONS

IsItFair Campaign

8.11 pm

Peter Viggers (Gosport) (Con): I beg to present a petition that is part of a large series against council tax instituted by the IsItFair campaign. The petition has been signed by 307 people in the Gosport area, and it was organised by my constituent Alan Scard, who acted as my agent in the recent election. The petition gives me a chance to thank him for his exceptional support and friendship.

I share my constituents' anger and distress at the fact that, partly because the Government have switched support from the south of England to the north, the council tax has become a most unfair burden, especially for those on fixed incomes. However, I must say that I do not share the petitioners' view about a proposed solution.

The petition declares that the year-on-year, inflation-busting increases in council tax are causing hardship to many and take no account of ability to pay: further, that the proposed property revaluation and rebanding exercise will make an already flawed system even worse.

The Petitioners therefore request that the House of Commons votes to replace council tax with a fair and equitable tax that, without recourse to any supplementary benefit, takes into account ability to pay from disposable income, such tax to be based on a system that is free from any geographically or politically motivated discrimination, and that clearly identifies the fiscal and managerial responsibilities of all involved parties.

And the Petitioners remain, etc.

To lie upon the Table.

Rolle College

8.13 pm

Mr. Hugo Swire (East Devon) (Con): The university of Plymouth's report on the impact of the move of Rolle college in my constituency from Exmouth to Plymouth clearly indicates that the ensuing loss to the town would be in the region of £4.8 million to £5.6 million per annum, which represents between 1 and 2 per cent. of Exmouth's economy. The three-month consultation period ended on Monday, and the governors of Plymouth university will announce their decision on 11 November. That is why more than 3,500 petitioners have signed my petition.

The Petitioners therefore request that the House of Commons call upon the university of Plymouth not to relocate the faculty of education at Rolle college, Exmouth, to Plymouth.

And the Petitioners remain, etc.

To lie upon the Table.

Primary Schools (Denton and Reddish)

Motion made, and Question proposed, That this House do now adjourn.——*[Mr. Heppell]*

8.13 pm

Andrew Gwynne (Denton and Reddish) (Lab): Through you, Madam Deputy Speaker, I should like to thank Mr. Speaker for allowing me this Adjournment debate tonight.

One of the things in this Government's record since 1997 of which I am most proud has been the record investment in education, particularly in terms of capital work to renew our schools. In my Denton and Reddish constituency, we have certainly benefited from that investment. With the money, we are renewing the fabric of all our existing schools. We have a new primary school at Poplar street, Audenshaw, and another new school is planned to replace both Aldwyn school and Hawthorns school, again in Audenshaw. There is a possibility that we will have a brand new primary school in Dukinfield, and it is now also possible that we will have one in Reddish, in the Stockport part of my constituency. It is to the school proposal in Reddish that I wish to draw the attention of the House and of my hon. Friend the Minister.

For any community, the announcement of a brand new primary school with modern learning facilities and an attached children's centre should be brilliant news. However, that theory takes no account of the total mismanagement of the issue by Stockport council over the summer.

First, the council's Liberal Democrat executive has decided that the new school will be developed on land at Harcourt street. The land, now a playing field, was a clay extraction site for the former Jackson brickworks. When the clay extraction process ended in the late 1960s, the massive hole in the ground was infilled with all kinds of rubbish. That, of course, was prior to the introduction of the 1974 landfill licensing regime.

There are no records of precisely what was dumped at Harcourt street. To put my concerns into context, I wish briefly to take the House on a tour of my constituency. In the Tameside part of the seat, we have three other former Jackson Brick clay extraction sites. As at Harcourt street, those sites were all landfilled in the 1970s before the licensing regime existed, and were subsequently converted to playing fields.

The first site is Guide lane, Audenshaw. I refer the House to a report of Tameside metropolitan borough council, which states:

"This is a former clay pit and problems with landfill gas migration became apparent in late 1997. Landfill gas alarms were fitted in four properties after gas was found after a routine inspection. Following this the Council received funding to install a venting trench with extraction stacks."

The next site is Windmill lane, Denton. Tameside council's report adds:

"The Denton IV landfill site was filled during the 1970s and is known to be producing landfill gas and leachate."

The final site is Ruby street, Denton, and the report states:

"This site, a former clay pit, was identified as a problem in 1989 with gas found to be migrating from the site. Tameside received funding to install a gas extraction system across the site. The site remains closed off to the public and responsibility has been transferred to the Environment Agency."

As if that were not bad enough, there is another Jackson's site at Adswood, in Stockport borough itself. It is also experiencing substantial problems with gassing and leachate. In the report that went to the council's executive, not a single mention was made of the fact that Harcourt street was a former landfill site—even though it is clearly logged on the council's contaminated land register.

I asked Stockport council what testing had been done to ascertain whether the site was safe for a new primary school. The council presented me with a so-called consultants report. First, the report got the location of the site wrong: it even refers erroneously to ground investigations at Bank Hall service station, Bootle. That is hardly a comfort to those of us seeking assurances from the report.

It transpires that, on that massive site, just six boreholes had been dug, and that four of those were abandoned at around 3 m because of obstructions in the ground. So the whole basis of the approval of the site hinges on a two-borehole survey. The small print in the consultants report states that the

"recommendations are based on the information gained at the position of the boreholes. If different conditions are encountered then further advice should be sought".

Given that only two full-depth boreholes were eventually dug, it is highly probable that different conditions could be encountered on the Harcourt street site.

Furthermore, I contacted the Environment Agency to see whether the council had sought its advice on this matter. In a letter to me dated 23 September 2005, I was told:

"However, the Planning Authority has not consulted us about such a proposal on the Harcourt Street site".

That information was just not good enough to serve as the basis for a decision to site a new school.

Thanks to a superb presentation by those members of the public who have formed themselves into the north Reddish action group, Stockport council's scrutiny committee called in the executive's decision and asked for further site monitoring to be done. Unfortunately, the executive decision for the site was not overturned. The extra tests are crucial, but I fear they will be too little, too late, because the decision is made and we still do not know precisely what was dumped at Harcourt street.

Nor is it the case that there are not alternative or better sites in the immediate area—there are. Residents themselves have suggested a number of possible alternative sites, and their suggestions should at least, one would have hoped, be given proper consideration by Stockport council. They were not: Stockport's mind was firmly made up in advance of the formal decision. In a letter to me dated 23 August, the director of education told me that one impediment to one of the proposed alternative sites was that it would require a

"full environmental impact study, possibly costing as much as £100,000."

The inference is that no study is needed at Harcourt street, which, as we know, was a former landfill site.

Those are my concerns about the site itself and how the council reached its crazy decision to site a primary school there. I shall turn briefly to matters relating to the two existing primary schools, which are set to close.

First, we are in the middle of a consultation period on the Fir Tree and North Reddish schools closure proposals. Given the Minister's letter to all local education authority chief executives, dated 6 September, in which she informs them that Members of Parliament are to be considered statutory consultees for school reorganisations in their constituencies, she will understand my dismay that I am still awaiting official notification from Stockport council of the proposal in my constituency.

Secondly, I firmly dispute the estimated sale price of the Fir Tree site, a substantial site of between four and eight acres, depending on the amount of land the council is willing to have developed. It is only £1.2 million, with outline planning permission for housing thrown in. That is outrageous, despite protestations to the contrary in the local press by the rather ineffectual new council leader. Neighbouring Labour-controlled Tameside aims to raise land values of around £1 million an acre for such land with planning consent and, more importantly, succeeds in getting it. If Stockport sought to do the same, it would raise a substantial sum.

On the basis of the council's projected capital receipts and the £2.2 million grant from the Government, there is a shortfall in total projected finances. The Lib-Dem Stockport council has excelled itself in committing to borrow the extra money. My point is that if it did not flog off the land on the cheap, it clearly would not need to borrow more money. What a double whammy that is for Reddish residents—the council sells the land to a developer on the cheap, and the residents pay for the privilege.

Given that appalling situation, I asked for the background information that would support the executive's decision to borrow the additional money. It beggars belief: it is four pages long—one page for each of the two school sites to be sold and two covering pages of officer blurb. So much for the full financial options appraisal I was promised and hoping for.

I really did despair when it stated, on page 2 that

"in the time available to prepare this report it was not possible to enter into detailed consultation with the Council's planning, legal and education departments."

I was lost for words when I read that. The executive approved borrowing on the basis of a back-of-a-fag-packet report, when no detailed consultation with the planning, legal or education departments had even taken place.

I hope that the Minister can intervene to inject some realism into the project. Stockport council needs to start again, and from the beginning. It is a complete and utter disaster. In the near 10 years in which I served in local government before becoming an MP, I never saw anything bungled quite as this scheme has been. Executive members have railroaded through important decisions on the basis of sloppy reports and inaccurate information—no questions asked, not even a little query. The proposal was just nodded through.

The community's views have been ridden over roughshod in this shabby, sorry affair. Only in Lib-Dem Stockport could the council turn a good news story into the script for the ultimate disaster movie. I hope that the Minister fully appreciates the concerns of my constituents and that the people of Reddish want a new school with top facilities. The people of Stockport deserve better than their incompetent and rotten Liberal Democrat administration, and the children of Reddish deserve better than a landfill site.

8.24 pm

The Minister for Schools (Jacqui Smith): I congratulate my hon. Friend the Member for Denton and Reddish (Andrew Gwynne) on securing the debate. Changes in educational provision in an area, particularly when they involve some of the very difficult planning issues that he has outlined, are clearly of great interest to local people, and it is absolutely right that the local Member of Parliament should be involved. Despite his relatively short time in the House, it is clear that my hon. Friend takes his responsibilities to his constituents extremely seriously and is asking for—even if he does not always get—precisely the information that his constituents deserve.

As my hon. Friend mentioned, on 6 September we formalised access to information with respect to educational reorganisations by revising the statutory guidance to local authorities to include local MPs in the lists of those whom the Secretary of State considers should be consulted about changes to schools. My hon. Friend the Member for South Swindon (Anne Snelgrove) is in the Chamber, and it was not least because of representations that she made about how she had been treated by her local authority in a similar situation that we made those changes and made very clear the need for local MPs to be consulted about changes to schools. If consultation has started, I agree with my hon. Friend the Member for Denton and Reddish that it is frankly not on that he has not been consulted. He should have been.

I welcome my hon. Friend's recognition of the Government's record investment in education. That will, of course, be continued under the "Building schools for the future" programme and our new primary investment programme. In England, the Government are supporting £5.5 billion-worth of capital investment in schools this year, rising to £6.3 billion-worth in 2007–08. That is a sixfold increase in real terms since 1997, when the figure was under £700 million.

Stockport's local authority and its schools have been allocated nearly £34 million of capital support over the next three years. Overall, Government support for investment in the primary estate alone should rise to an estimated £1.8 billion in 2007–08. I am therefore pleased that the benefits are being felt in the Denton and Reddish constituency, as well as across the country. As my hon. Friend has outlined, his constituency will benefit from new primary schools at Audenshaw and there is a possibility of a new school at Dukenfield.

I am sorry and concerned to hear about the problems with the proposed new school in Reddish. I am sure—I hope and expect—that Stockport council will take note of the very important points raised by my hon. Friend and the north Reddish action group. The calling-in of the executive decision by the scrutiny panel is an important sign, but it is clear from what my hon. Friend said that considerable additional questions need to be answered. However, I have to say that the organisation of schools in an area is essentially a matter for local decision. It is the local authority that has the statutory responsibility for planning school places and for proposing to close schools and to open new ones.

[Jacqui Smith]

It may be helpful if I say something now about the current arrangements under which the proposals for changes in Reddish have been published. Before the Government took office in 1997, proposals for changes to schools often came to the Secretary of State for decision. We considered that such matters were best decided locally, and a new system was put in place by the School Standards and Framework Act 1998. That is still the basic legislation today, and the relevant provisions in the case that has been raised by my hon. Friend include the provision that before a local authority may close a school or open a new one, it must first consult in the local area. Among those whom we advise should be consulted are any schools affected by the proposals, and parents and teachers in the area. The guidance was revised in September, when local MPs were added to the list, as were local district and parish councils where the schools are situated. Although the consultation is not a referendum, and the authority is not bound by the results, it is required to take the results of the consultation into account in deciding whether or not to proceed with its proposals.

If the authority decides to proceed, it is required to publish its proposals in a newspaper circulating in the area, and the notice must give details of how people may object to the proposals or comment on them. Anyone may make representations in response to the notice, whether or not they are directly affected by the proposals. If there are no objections, authorities may decide their own proposals themselves, but if there are objections the proposals go to the local school organisation committee to decide.It is then for the committee to approve or reject the proposals. It may also modify them, after consulting interested parties, but not to the extent that they are effectively new proposals. Modifications are usually to the implementation date, at the request of those bringing forward the proposals.

The committee may approve proposals only if it is satisfied that any capital necessary to implement them has been secured. As my hon. Friend pointed out, in the case of this project the authority has been allocated £2.2 million in targeted capital funding to build a new school, which is the total amount for which the authority bid—so the Government have played their role in ensuring that new provision in the area is properly funded. Separate funding is also available for a children's centre. The total cost of the project is expected to be some £5.5 million, with the authority providing the balance. While the facilities to be provided are a matter for the local authority, we encourage the provision of enhanced facilities, suitable for the 21st century and a range of uses. It is in order to develop such facilities that we are investing record amounts in school capital and ensuring that developments are linked with extended service provision for children and child care.

I shall continue with the process. If the committee cannot agree unanimously, the proposals are referred to the independent schools adjudicator for decision. The adjudicator's decision is final, subject to the normal operation of the law, for example, as regards judicial review. Since September 1999, Ministers have not been involved in such decisions. The proposals in Reddish will be decided under that system.

The local authority cannot just close the schools in Reddish and build a new one. I understand that the consultation took place in the summer and that statutory proposals have been published in respect of the changes. I believe that the representation period will end in mid-November and that the school organisation committee is planned to meet to decide the proposals in December. I hear the concerns of my hon. Friend about the extent to which he has been involved in that consultation, and he has clearly shown his ability to represent his constituents. It is crucial that he and other members of the public are fully involved in the consultation on the proposals.

In deciding the proposals, the committee will be required to decide the issue on its merits, taking into account all relevant factors and the Secretary of State's statutory guidance on proposals to open and close schools. Among the factors that the committee will need to consider are whether the proposals will improve the standards, quality, range and/or diversity of educational provision in the area; whether the proposals represent a cost-effective use of public funds; whether the sale proceeds of redundant sites are to be made available and whether the Secretary of State's consent has been obtained where necessary; the views of parents and other local residents, including those who may be particularly affected by the proposals or who have a particular interest in them; the length and nature of the journey to the alternative provision; the extent to which the proposals take account of the needs of families and the wider community and promote community cohesion; and the overall effect of a closure on the local community.

My hon. Friend has made it clear that views about these proposals are mixed, to put it mildly. He has also made clear his concerns about the safety of the landfill site and about the scale of the capital receipts from the sale of the Fir Tree site. Although those are not matters for which I have policy responsibility as a Minister in the Department for Education and Skills, they are nevertheless very important in the consideration of the proposals, as he pointed out. If a school is to be built on a landfill site, that site must have a planning use class order that permits educational use. That is a local planning authority responsibility, but it is obviously very important, as my hon. Friend has spelled out, that suitable consultation has taken place with the public and other relevant agencies and that there is certainty and reassurance for his constituents that the site is appropriate. I welcome his information that further investigations may take place—it certainty sounds as though that would be important—and I am sure that he will continue to seek local reassurance about the nature of that site or any other site for the provision of a new school for his constituents.

On capital receipts, the value of land is, of course, very much dependent on whether it can be developed, but my hon. Friend has drawn on some important evidence about the value of similar pieces of land in surrounding areas. It is true that an acre of land with planning consent for housing development can fetch up to £1 million. Again, although I have no direct ministerial responsibility for such matters, I understand that the Office of the Deputy Prime Minister sets very strict rules to ensure that local authorities only sell land for the full market value—if local authorities want to sell below

that value, they need the ODPM's consent. Of course, I share my hon. Friend's concern that, notwithstanding the considerable increases in school capital, value for money in asset sales must also be an important consideration for Stockport in developing such proposals. Hon. Members will also be aware that the Secretary of State's permission would be required for the disposal of any land used as school playing fields.

Let me return to the procedures for the statutory proposals to close North Reddish infant and junior schools and Fir Tree school and build a new school on the Harcourt street site. As I said, if the school organisation committee cannot decide on the proposals unanimously, they will go to the adjudicator for a decision. The adjudicator would consider the proposals afresh, but would also be required to take into account the result of the consultation, any objections or comments made and the Secretary of State's statutory guidance on the factors that must be taken into account. As I have spelled out, those factors include the views of local people and the cost-effectiveness of the proposals. My hon. Friend raised concerns about those matters in his speech.

Although I know that I have not been able to satisfy all my hon. Friend's concerns, I hope that I have spelled out the process in which I strongly anticipate that he will be involved. I expect that he will be able to represent his constituents' views throughout the local decision-making process. Given his record up to now, I have no doubt that he will continue his important work to ensure not only that his constituents continue to benefit from increased school investment, but that local plans are carried forward in a way that both involves and reassures his constituents.

Question put and agreed to.

Adjourned accordingly at twenty minutes to Nine o'clock.

House of Commons

Wednesday 2 November 2005

The House met at half-past Eleven o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

WALES

The Secretary of State was asked—

Rail Freight

1. **Mr. Elfyn Llwyd** (Meirionnydd Nant Conwy) (PC): What representations he has received on encouraging rail freight in Wales; and if he will make a statement. [22525]

The Secretary of State for Wales (Mr. Peter Hain): As part of the public consultation on the draft Transport (Wales) Bill, I received several comments about rail freight. I support the Welsh Assembly Government in encouraging the carriage of more freight by rail.

Mr. Llwyd: I thank the Secretary of State for that response. Given his comments, will he please use his good offices to ensure that the Conwy Valley line is strengthened for freight? A freight support grant is available, but I understand that there may be a complication on the Cheshire side. That needs to be addressed before the slate waste disposal scheme can work. It is very much a win-win scheme, which uses slate waste for building materials. It will be good for the environment and in every way. I urge him to do what he can to assist the project.

Mr. Hain: I am happy to do that and to agree with the hon. Gentleman. The scheme is dear to his heart and that of his constituency and I support it, as do the Welsh Assembly Government, who are looking into the costings that Network Rail has provided. So far, the five grant-supported projects for freight on rail in Wales have taken about 24,500 lorry journeys off Welsh roads each year. That bears out his admirable point about the environment.

Lembit Öpik (Montgomeryshire) (LD): I welcome the reduction in the use of road haulage, but does the Secretary of State accept that we are still under-utilising the rail network in Wales? For example, far too much road haulage goes into mid-Wales when there is a perfectly acceptable rail line. Would he be willing to hear representations about how local people and experts in mid-Wales, who understand those matters, envisage the enhancement of rail freight in and out of mid-Wales?

Mr. Hain: Either the Under-Secretary or I will be happy to see the hon. Gentleman about that and to hear any representations. However, I am sure that he acknowledges that the Government are spending a huge amount of additional money on investment in the railways. Indeed, we are spending £87 million every week to improve the railways. There has been a 37 per cent. increase in the amount of freight moved by rail since we came to power. That figure will continue to rise—I hope that it does in Wales, too.

A14

2. **Mr. Philip Hollobone** (Kettering) (Con): What discussions he has had with the Secretary of State for Transport on the importance to the Welsh economy of the A14 road. [22526]

The Parliamentary Under-Secretary of State for Wales (Nick Ainger): None specifically about the A14, but I recognise that it is a route of strategic importance used by hauliers travelling between Wales and the ports of Harwich and Felixstowe.

Mr. Hollobone: Kettering may not be in Wales, but it has an annual eisteddfod. The Under-Secretary is right to identify the A14 as a major strategic road. Will the Secretary of State take the opportunity of the next discussion in Cabinet about the UK roads network to press for urgent measures to relieve the congestion on the A14 around Kettering?

Nick Ainger: The hon. Gentleman knows that in his Adjournment debate the Minister for Local Government responded to his concerns about the road. The A14 is part of the trans-European road network. It has a strategic role in connecting the ports of Felixstowe and Harwich not only with Wales, but various parts of the UK. I understand that the Highways Agency is considering the possibility of widening the A14 Kettering bypass. That should tackle the problems that he highlighted.

Mr. Stephen Crabb (Preseli Pembrokeshire) (Con): Understanding, as the Under-Secretary does, the importance of the road network to the Welsh economy, does he agree that dualling the A40 through Pembrokeshire is vital for the long-term economic success of our county? Does he further agree that the Welsh Assembly's decision not to support that important project is economically illiterate?

Nick Ainger: No, I do not agree with the hon. Gentleman's assessment, given that the bulk of the upgrading of the A40 is in my constituency, as he well knows. Although I have some sympathy for the arguments that have been presented, the cost benefits of dualling the section all the way from St. Clears to Haverfordwest do not stand up. It is far better to get the improvements in place as quickly as possible at a reasonable cost so that we experience the benefits of the road improvement.

Office Allowances

3. **Ian Lucas** (Wrexham) (Lab): Pursuant to his oral answer of 20 July 2005, *Official Report*, columns 1240–41, what discussions he has had with the National Assembly for Wales Government on the use made of office allowances. [22527]

The Secretary of State for Wales (Mr. Peter Hain): Periodic ones. I believe that regional list Assembly Members are abusing taxpayers' money by setting up rival offices to constituency Members by whom they were defeated to help them to reverse the results next time.

Ian Lucas: Members' allowances in this House have been in the news during the past week. Does my right hon. Friend agree that we should be vigilant in ensuring that expenditure incurred by Members of Parliament is used to serve our constituents rather than to promote the particular interests of individual political parties?

Mr. Hain: I completely agree with my hon. Friend. It is significant that, of the 20 list Assembly Members representing regions of Wales rather than constituencies, 15 have established constituency offices, funded by taxpayers, in the seats where they were last defeated, in order to run campaigns to try to reverse those results. That is a misuse of taxpayers' money. It is interesting that in Scotland and New Zealand, there are different—

Mr. Speaker: Order. Can the Secretary of State explain why this is his responsibility?

Mr. Hain: Because the Government of Wales Bill will deal with this matter when I introduce it in a few months' time.

Mr. Speaker: Then we will deal with it when the Government of Wales Bill comes before us.

Welsh Language Act

4. **Michael Fabricant** (Lichfield) (Con): If he will make a statement on the application of the Welsh Language Act 1993 to the work of (*a*) central Government Departments and (*b*) other public bodies. [22528]

The Parliamentary Under-Secretary of State for Wales (Nick Ainger): Government Departments are not required to have a Welsh language scheme. However, it is our practice to observe the principle that, in the conduct of public business in Wales, the Welsh and English languages should be treated on a basis of equality. Public bodies that provide services in Wales can be required by the Welsh Language Board to prepare a Welsh language scheme.

Michael Fabricant: I thank the Minister for his answer and I am grateful for the fact that he supports the Welsh Language Act, notwithstanding the fact that Rhodri Morgan and others voted against it at the time. Does the Minister acknowledge that there are many people such as myself, who had a Welsh-speaking mother, who would dearly love to learn the language that was originally the British language? Will he join me in praising organisations such as the many Wlpans, and Nant Gwrtheyrn on the Llŷn peninsula, which provide training of that kind?

Nick Ainger: I congratulate all those who have been part of the remarkably successful turnaround in the fortunes of the Welsh language. It now plays a more prominent role in our national life than at any time in living memory. According to the 2001 census, 21 per cent. of the population of Wales can now speak Welsh, compared with 19 per cent. in 1991. Twenty-six per cent. of people under 35 can now speak Welsh, an increase of nine percentage points on 1991. In 2006, Welsh will also appear on all UK passports.

Mrs. Siân C. James (Swansea, East) (Lab): Does my hon. Friend agree that we have demonstrated a commitment to the Welsh language, with even more people speaking it and being encouraged to speak it, without feeling that their Government and the people who look after them are not interested in it? Since 2003, the Assembly has invested £28 million in achieving the goal of a truly bilingual Wales and I think that we should applaud that.

Nick Ainger: I totally agree with my hon. Friend. Some of those who argue for a new Welsh language Act should be very careful. The reason that the language has had this renaissance is that the existing legislation is not prescriptive and places no statutory requirements on the private sector. Those who argue for new provisions should be careful, because trying to impose such statutory requirements on private businesses would be detrimental to the progress that we have made.

Mr. Roger Williams (Brecon and Radnorshire) (LD): Following the chaos surrounding the Department for Culture, Media and Sport's failure to produce a Welsh version of the licensing application form, will the Minister consider including in his bluffer's guide to devolution—which I understand he is circulating among his Cabinet colleagues—an idiot's guide to the Welsh Language Act, so that no further abuse by central Government of the Welsh language can take place?

Nick Ainger: There was certainly no abuse by the Department for Culture, Media and Sport in relation to the Licensing Act 2003. It worked very productively with the Welsh Language Board, over a very short period, to address that particular problem. Currently, nine Government Departments have approved schemes, and the Department for Constitutional Affairs and Her Majesty's Revenue and Customs are actively preparing schemes in consultation with the Welsh Language Board. The board has issued notifications to a further three Departments—the Department of Health, the Department for Culture, Media and Sport and the Central Office of Information—to bring forward Welsh language schemes.

Bill Wiggin (Leominster) (Con): Why did the chairman of the Welsh Language Board write that it

"would be better to keep a number of decisions relating to language policy at arm's length from the Government"?

Is it because Rhodri Morgan's plans to absorb the Wales Tourist Board, the Welsh Language Board and the Welsh Development Agency are in tatters? Despite the rude response thrown back at the Secretary of State, will the Minister again give Rhodri Morgan the helpful advice to think long and hard before proceeding?

Nick Ainger: The hon. Gentleman might not agree with the proposal to bring the Welsh Language Board within the direct remit of the Welsh Assembly Government, but colleagues on the Labour Benches and on the other side of the House want to end the quango state in Wales. That is part of that programme. Bringing the work of developing and promoting the language into the Welsh Assembly Government will ensure that that is mainstreamed across all aspects of government and activity in Wales.

Bill Wiggin: Why does the Minister not agree that Rhodri Morgan's plans are in tatters? The Minister talks about the quango state, but the Assembly voted to send back the plans for the Welsh Language Board until the functions were properly explained. Jane Hutt refused to confirm whether the Wales Tourist Board will be replaced by a Welsh Assembly Department for tourism and leisure, and recently the Secretary of State told the hon. Member for Caernarfon (Hywel Williams) that the Welsh language is in better health than it has been for a long time. I hope that it is in better health than the people of Wales, as the number of fluent Welsh speakers is only just larger than the number of people on health waiting lists.

Nick Ainger: Those are obviously matters for the Welsh Assembly Government, but they have made it absolutely clear that the merger is there to strengthen the support for the language across government in Wales and to improve democratic accountability. The motion that the Tories, Plaid Cymru and the Liberal Democrats supported, in some unholy alliance, only asked the Assembly Government to do what they intended to do in any case—that is, deal appropriately with the regulatory functions of the Welsh Language Board.

CAFCASS

5. **Julie Morgan** (Cardiff, North) (Lab): What discussions he has had with ministerial colleagues in Wales about the operation of the Children and Family Court Advisory and Support Service in Wales. [22529]

The Parliamentary Under-Secretary of State for Wales (Nick Ainger): I have regular discussions with the Assembly Minister for Social Justice and Regeneration to discuss a range of issues. That includes the operation of the Children and Family Court Advisory and Support Service in Wales.

Julie Morgan: Is my hon. Friend aware that CAFCASS Cymru, which works with some of the most vulnerable children and families in Wales, has no waiting list in terms of allocating workers in both private and public law? Does he agree that that is a huge step forward and that the agency needs to be congratulated on its achievements, especially in view of the recent chequered history of CAFCASS?

Nick Ainger: I certainly join my hon. Friend in congratulating CAFCASS Cymru. Since its transfer to the National Assembly for Wales, it has far exceeded performance targets on referral time of cases to guardians. That results in children—many of whom are extremely vulnerable and may be victims of abuse and family break-up—being helped far more quickly. Six thousand children a year will benefit from this improved service. The transfer has been a really great success and all staff should be congratulated.

Police Forces (Reorganisation)

6. **David T.C. Davies** (Monmouth) (Con): What plans the Government have to reorganise police forces in Wales. [22530]

The Secretary of State for Wales (Mr. Peter Hain): In the light of recommendations made recently by Her Majesty's inspector of constabulary, my right hon. Friend the Home Secretary has asked the police service to come forward with firm proposals for the future of policing in England and Wales to meet the new challenge of terrorism, serious crime and drug trafficking.

David T.C. Davies: One of the chief constables has already estimated that the cost of that reorganisation will be £10 million to £12 million, plus the entire reserves of all four police authorities in Wales. Can the Secretary of State demonstrate his undoubted command of mental arithmetic and tell us how many police officers could be trained and put on to the crime-ridden streets of Wales for the same sum that will be needed to create this unaccountable bureaucratic monolith?

Mr. Hain: First, as a Gwent MP, I am sure the hon. Gentleman will want to join me in congratulating Mike Tonge, chief constable of Gwent, who is today receiving the Queen's Police medal in recognition of his distinguished service.

As regards the hon. Gentleman's rant on this matter, may I invite him, instead of ranting, to display a bit of objectivity? On the figures he quoted from the chief constable of South Wales, which were given at a private meeting to which the hon. Gentleman was invited, she said that her best estimate was that the start-up costs would be about £10 million. She could not be certain, so the hon. Gentleman has upped that figure by a couple of million. She also said that she thought the savings would be three times as much. Why did the hon. Gentleman not raise that point and why did he not make it in the very biased account he gave to the *South Wales Argus* the other day?

Paul Flynn (Newport, West) (Lab): Is it not true that the forces of Wales have the best record of any in the United Kingdom, especially Gwent and Dyfed-Powys? This reorganisation is being forced on Wales for the benefit of English cities. If there is a need for a special emphasis on the problems of serious crime, drugs and terrorism, why not form a special unit and leave those splendid forces intact?

Mr. Hain: My hon. Friend will surely join other hon. Members, especially Welsh Members, in wanting a Welsh police service that is not only doing a very good job, as in Gwent, on neighbourhood policing and other

matters, but that can also confront the new challenges of terrorism, drug trafficking and international serious organised crime. The fact is that apart from the South Wales force, which is near the optimum number suggested by Her Majesty's inspectorate of constabulary to fight those challenges, none of the other forces is anything like the size necessary to do so. We should consider the all-Wales option, but keep the principle of local neighbourhood policing sacrosanct and make sure that, as in Gwent, there is an element of regional accountability still built into the system, so that the identities of the regions currently organised into police forces are maintained, especially in north Wales.

Jenny Willott (Cardiff, Central) (LD): The police grant has been insufficient to meet some of the demands of the police authorities, such as pensions. As a result, the council tax precept has gone up by much more than inflation, on top of the recent rebanding of properties. What assessments has the Secretary of State made of the effect of the possible amalgamation of police forces on a potential rise in council tax across Wales?

Mr. Hain: I have made no such assessments. As I pointed out earlier, however, considerable savings will be possible, which will enable resources to be released not only to fight the new threats, but to make sure that we have as many police officers as possible on the ground in our neighbourhoods. Since our Government came to power, Wales has had 950 extra police officers and 270 extra community support officers on patrol. We are driving that forward with even more recruits and even more effective neighbourhood policing in future.

Huw Irranca-Davies (Ogmore) (Lab): Does my right hon. Friend agree that, in line with the strategic reorganisation of the police, it is also vital that we continue the strategy of neighbourhood policing? Will he join me in applauding the work of my right hon. Friend the Member for Sheffield, Brightside (Mr. Blunkett), who as Home Secretary did so much in driving forward the agenda of community safety and community policing?

Mr. Hain: Indeed, I am happy to do so. My right hon. Friend the Member for Sheffield, Brightside (Mr. Blunkett) did a great job in making sure that neighbourhood policing was a priority of every police force, which is increasingly the case. We much regret the fact that he is no longer able to discharge his responsibilities. In any future reorganisation of policing, neighbourhood policing must remain the bedrock, and the basic police command units will continue to take that agenda forward.

Adam Price (Carmarthen, East and Dinefwr) (PC): Where will the final decision on this contentious and potentially damaging force merger be made—Wales or Whitehall?

Mr. Hain: Obviously, I will have an input from Wales, as will the Welsh Assembly Government. Indeed, the Home Secretary has written specifically to the Welsh Assembly Government inviting their views and an Assembly Committee is currently considering the matter. We need a police system in Wales that meets the big new challenges. A terrorist suspect has been arrested recently in Cardiff, and others are known to be active in south Wales. We need to deal with the problems of drug trafficking and serious organised crime, and the Labour Government are doing that. If Plaid Cymru wants to opt out of confronting those challenges, that is a matter for it. We are rising to meet those challenges and we want a good police service in the whole of Wales that confronts those big challenges and preserves community policing.

Housing (SIPPS)

7. **Hywel Williams** (Caernarfon) (PC): What representations he has made to the Chancellor of the Exchequer about the effect on the affordability of housing in Wales of the changes in the rules for self-invested personal pension scheme investment in residential property. [22531]

The Parliamentary Under-Secretary of State for Wales (Nick Ainger): I have made no direct representations. There has been widespread speculation about the impact of the new rules that will allow self-invested personal pensions to be invested in residential properties. Government guidance sets out the implications of putting a residential property into a SIPP. It is unlikely to be an appropriate investment for most people, but the Government will keep the matter under review and will not hesitate to act if there is evidence of abuse.

Hywel Williams: Average house prices in Wales are already seven times average incomes. Is it not inevitable that new money flooding into—*[Interruption.]*

Mr. Speaker: Order. I ask the House to come to order. The noise is unfair to the hon. Gentleman.

Hywel Williams: Thank you, Mr. Speaker.

Is it not inevitable that new money flooding into the holiday homes market will push up prices further? How can the Secretary of State support an arrangement that will make it even more difficult for hard-working Welsh families to enter the housing market?

Nick Ainger: I note the hon. Gentleman's point, but he and his colleagues are in danger of sounding like salesmen for SIPP providers. They should not overstate the impact of SIPPs on the rural housing market. There are significant drawbacks for investors wishing to place a second home in a SIPP. For instance, a property placed in a SIPP will be owned by the trustees of the SIPP, not the individual.

An investor would not be able to stay in a second home free of charge. He would either pay the full commercial rent or face a 40 per cent. charge for a benefit in kind. In most cases, the property would have to be sold before the pension could be drawn, so the investor would not be able to use it as a retirement home unless he could raise enough money to buy it from the SIPP. Those rules and others ensure that assets put into a pension fund give people a secure retirement income, and are not a means of subsidising second homes.

Welsh Regiments

8. **Albert Owen** (Ynys Môn) (Lab): What recent discussions he has had with the Ministry of Defence on the merger of Welsh regiments; and if he will make a statement. [22532]

The Secretary of State for Wales (Mr. Peter Hain): The intention to merge the Royal Welch Fusiliers and the Royal Regiment of Wales was announced in July 2004, with a view to implementation by 2008.

Albert Owen: I understand that discussions on the important detail of badge insignia are ongoing and very positive. A wide range of people have been involved in the decisions. Will my right hon. Friend ensure that any future reorganisation or reconfiguration of Welsh regiments involves an input from Welsh Members of Parliament before the Army Board makes its recommendations, so that the expression of a wide range of opinions can prevent a repetition of the debacle over names?

Mr. Hain: I shall be happy to take up the matter. I understand that individual regiments have been involved in determining dress regulations for the new regiments. As my hon. Friend says, the discussions are ongoing and I cannot comment further, but his point is valid. I am sure that he will join me in congratulating all the Welsh soldiers who are serving abroad and doing a first-class job.

Bill Wiggin (Leominster) (Con): Why did the Secretary of State not help? The Welsh Assembly refused to support Tŷ Gwyn, a unique post-traumatic stress disorder unit for veterans, which needed £75,000 to continue its important work. There is a waiting list of ex-servicemen who need to use Tŷ Gwyn. Why is it that the Welsh Assembly can buy a 32-acre rainforest site in Ecuador, but cannot support a nursing home for ex-servicemen in Wales?

Mr. Hain: In view of your earlier suggestion, Mr. Speaker, I suggest that the hon. Gentleman take the matter up with the Welsh Assembly Government.

Patient Funding

9. **Daniel Kawczynski** (Shrewsbury and Atcham) (Con): What discussions he has had with the National Assembly for Wales Minister for Health on the rate paid by the Assembly to English hospitals for the treatment of patients in Wales. [22533]

The Parliamentary Under-Secretary of State for Wales (Nick Ainger): I have regular discussions with the Assembly's Minister for Health on a range of matters, including the provision of services in cross-border areas.

Daniel Kawczynski: The Royal Shrewsbury hospital loses £2 million a year by treating Welsh patients who come across the border. The Welsh health authority in Powys pays a different rate per person from that paid by Welsh authorities. How can the Secretary of State reassure me that the Royal Shrewsbury will not continue to lose £2 million a year because of that anomaly?

Nick Ainger: As the hon. Gentleman knows, there are serious problems affecting the Shrewsbury and Telford Hospital NHS Trust. I have seen the report on its financial performance and I do not recognise the figure of a £2 million loss per year. I understand, however, that this issue has been discussed and an agreement reached on the new contractual arrangements for this year and next. There appears to be no further problem in this regard.

Cleaner Neighbourhoods

10. **Mrs. Madeleine Moon** (Bridgend) (Lab): What discussions he has had with ministerial colleagues on progress towards cleaner neighbourhoods in Wales. [22534]

The Parliamentary Under-Secretary of State for Wales (Nick Ainger): I have regular discussions with ministerial colleagues about matters affecting Wales. The Clean Neighbourhoods and Environment Act 2005, which received Royal Assent in April, contains a range of measures to improve the quality of the local environment.

Mrs. Moon: Fly-tipping is a major problem in my constituency—so much so that Afon-y-felin primary school had to join forces with the local Assembly Member, councillors and even the First Minister to help clear up an estate. What powers can be given to local authorities under this new proposal to help them to tackle fly-tipping, rather than requiring children in local communities to tackle it?

Nick Ainger: I congratulate my hon. Friend's school, which is actively involved in addressing an issue that is clearly of great importance to everyone. Figures show that a fly-tipping incident occurs in the UK every 35 seconds. Last year in Wales, there were more than 30,000 such incidents, which cost in excess of £1.6 million to clear up. Since June, fly-tipping has become an arrestable offence. The most serious cases can now attract a fine of £50,000 or five years imprisonment. The 2005 Act clearly has the teeth to tackle this problem.

PRIME MINISTER

The Prime Minister was asked—

Engagements

Q1. [23739] **Mr. Ken Purchase** (Wolverhampton, North-East) (Lab/Co-op): If he will list his official engagements for Wednesday 2 November.

The Prime Minister (Mr. Tony Blair): Before listing my engagements, the House will know that my right hon. Friend the Secretary of State for Work and Pensions has resigned. Whatever mistakes he has made, I have always believed, and believe now, that he is a decent and honourable man who has contributed a great deal to his country, and who has overcome immense

challenges that, frankly, would have daunted the rest of us. He can be proud of his record in British public life. [HON. MEMBERS: "Hear, hear."]

I also know that the whole House will join me in sending our condolences to the family of the British soldier killed in Afghanistan at the weekend. He was doing a vital and important job, and his country can be very proud of him.

This morning, I had meetings with ministerial colleagues and others, and in addition to my duties in the House I will have further such meetings later today.

Mr. Purchase: I echo and sympathise with the views expressed by my right hon. Friend. Will he accept that he speaks for all when he condemns the appalling, dreadful and truly disgraceful statement of the Iranian President, who expressed his wish that Israel be wiped off the map? Will my right hon. Friend also accept that his further remarks at Hampton court over the weekend carried an implicit threat of military action against Iran? Does he share my view that the people of this country are in no mood for a military adventure in Iran, and if he does, will he explain his remarks at Hampton court?

The Prime Minister: I am very happy to say that, first, I did not talk either explicitly or implicitly about a military threat to Iran, but what I did say was this. Iran has to realise that the international community cannot tolerate continuing conduct that, frankly, is supporting terrorism around the world; that is supporting terrorism not just in the middle east, but elsewhere; and that is in breach of its nuclear weapons responsibilities and obligations under the International Atomic Energy Agency. I did want to make it clear, and I do so again now, that the statements by the Iranian President in respect of Israel are completely and totally unacceptable. Obviously, as I made clear at the press conference, we want to discuss this with other allies and with other members of the Security Council. Nobody is talking about military threats, invasion of Iran or any of the rest of it. What we are saying, however, is that the Iranian Government have got to understand that the international community simply will not put up with their continued breach of the proper and normal standards of behaviour that we expect from a member of the United Nations. The most important thing at the moment is that that is a unified message, and that it goes out not just from this House and this country, but right across the world.

Mr. Michael Howard (Folkestone and Hythe) (Con): I join the Prime Minister in expressing our sympathy and condolences to the family of the British serviceman who lost his life in Afghanistan over the weekend.

This has been an extraordinary week for the Government, and for the Prime Minister. We have seen the slow seepage of his authority turn into a haemorrhage. We all acknowledge the honourable way in which the Secretary of State for Work and Pensions has decided to resign, and I pay tribute to him for that—but the key question now is for the Prime Minister. Does he think that in his handling of this affair, his judgment has been at fault in any way?

The Prime Minister: Let me tell the right hon. and learned Gentleman exactly why I did not believe that the allegations against my right hon. Friend warranted his dismissal. Perhaps, with the frenzy that is going on around this, it is just as well for the House and for members of the public that I should explain why not.

Basically, there were three sets of allegations—*[Interruption.]* Perhaps I could be allowed to detail the reasons why I decided not to dismiss my right hon. Friend. There were three sets of allegations. One was that he had not sought the advice of the independent advisory committee, which he should have done. That is a breach of the ministerial code, it is true, but I did not believe that it warranted dismissal, for these reasons. First, I could discover no impropriety or wrongdoing in his doing that. [HON. MEMBERS: "Oh!"] Secondly, he had registered those jobs with the Register of Members' Interests. It arose out of a misunderstanding in the correspondence, which I have looked at myself and believed was an honest misunderstanding on his part. It was clear to me that even had he been in touch with the advisory committee, as he accepts he should have been, the most that would have happened is that his taking up one of those jobs would have been delayed by a few weeks. In those circumstances, I did not believe that that warranted his dismissal.

The second set of allegations was in respect of the register of shareholdings in DNA Bioscience. My right hon. Friend was supposed to follow a particular procedure for Ministers when they come into Government. He followed that procedure completely. Therefore I could find no breach of the ministerial code in respect of that.

The third and most serious set of allegations, which were made by the shadow Leader of the House, was that my right hon. Friend, while a member of the Government, had had discussions and made representations on behalf of a firm that either had or was trying to get a contract from the Department for Work and Pensions. Had that allegation been true, it certainly would have been a dismissible offence. I looked into that allegation and found it to be completely untrue. Therefore it would not have been right, in these circumstances, for him to resign. That is why I did not dismiss my right hon. Friend under the ministerial code.

Mr. Howard: The Secretary of State has resigned, and I do not intend to pursue those matters this afternoon. I quite understand why the Prime Minister's judgment in these last few days has been awry. I can entirely sympathise with his desire to cling on to the right hon. Member for Sheffield, Brightside (Mr. Blunkett). Is it not a fact that he was one of the Prime Minister's last remaining allies in Cabinet?

The Prime Minister: My right hon. Friend resigned for the reasons that he gave: with the frenzy surrounding him and his job, it became impossible for him to carry on doing that job properly. The reason why I outlined the specific allegations about him is that I think that in fairness to him, people should understand that a lot of what has been written about him in the past few days has, on my investigation of the facts, turned out to be completely untrue. However, for the reasons that he has given, he has resigned.

I would simply put this to the House: sometimes on these occasions, the degree of pressure to which people are subject is absolutely extraordinary. We should just occasionally reflect on that, and when it involves somebody who has done an immense amount for this country we should say, as he goes from Government, that he goes, in my view, with no stain of impropriety against him whatever.

Mr. Howard: If the Prime Minister had recalled some of the words that he used in opposition, he might have found it difficult to repeat the words that he has just uttered today. He did not answer the question that I put to him, and I shall resist the temptation to ask him to name his remaining allies in the Cabinet. The truth is that the Prime Minister has lost both his allies and his authority. Let us look at some examples of that.

Last week, the Education Secretary was squabbling with the Deputy Prime Minister about school reforms, and the Health Secretary and the Culture Secretary were at loggerheads with the Defence Secretary over the ban on smoking. This week, the Prime Minister is at odds with everyone else over his proposal to ban drinking on public transport—at the very moment when he is introducing 24-hour drinking in our pubs. What has happened to his authority?

The Prime Minister: I shall deal with each of those claims in turn. On schools, we are in favour not just of investing in them but of reforming them too. We have a programme that we will carry through, because this party believes in improving the quality of schooling in our country. We will do that, and we will carry it through.

On the so-called proposal to ban drinking on public transport, I had indicated already that we should not accept it. However, as often happens when such a proposal is put in the newspapers and we point out that it has not been accepted, we are accused of making a U-turn.

Leaving that to one side, I can tell the House that over the next few months we will carry through our programme on schools and health service reform, and that new proposals will be brought forward on antisocial behaviour and crime. Today, of course, we have a very important debate on terrorism. All those proposals will be carried through, because we believe in them and because we believe that they are right for the country—and at least we have a programme that we are carrying through.

Mr. Howard: Does the Prime Minister really not see that this week marks the beginning of the final chapter of his Administration? Will he be the last person to recognise that the departure of his key ally means that there is no longer any doubt that the sole source of authority in his Cabinet is the Chancellor of the Exchequer? For how long will this country have to put up with this lame duck Prime Minister, in office but not in power?

The Prime Minister: We shall see, over the next few months, exactly what happens—in respect of the programme that has delivered the strongest economy that this country has had for years, of the programme that has delivered the best primary school, GCSE and A-level results, of the programme that is delivering the biggest falls in NHS waiting times that this country has had for 20 years, and of the programme that is allowing us to increase the numbers of police and ensure that crime falls.

That is the record on which this Government will be judged. It is a record that we can be proud of, and it stands in stark contrast to the Leader of the Opposition's record when he was in government.

Mr. Bob Blizzard (Waveney) (Lab): By the end of the year, the Government look set to reduce NHS waiting times to no more than six months. However, is my right hon. Friend aware of the work of John Petri, an orthopaedic surgeon in the James Paget hospital in my constituency? He has no waiting lists at all since he introduced a dual system of operating, using two theatres and two teams, which means that he does not have to wait for the next patient. Is not that an example to be followed and commended? Will my right hon. Friend meet John Petri to discuss how that innovation can benefit the whole of the NHS?

The Prime Minister: I shall be very happy to do so. In terms of policy, the picture that my hon. Friend presents is replicated around the country. When the Labour party came to power, many people were waiting more than 18 months for operations, and tens of thousands were waiting for more than a year. From December, the maximum wait will be of six months, and that has brought the waiting list down very sharply. As my hon. Friend said, there are now parts of the country in which we are getting rid of waiting almost completely. In the next three years—by 2008—patients will have a maximum wait of 18 weeks between the door of the GP and the door of the operating theatre. That will effectively get rid of the NHS waiting lists that we inherited after the years when the Conservative party was in government. Frankly, when all the rest is said and done, that is what matters to the people of this country.

Mr. Charles Kennedy (Ross, Skye and Lochaber) (LD): On behalf of my right hon. and hon. Friends, I wish to share the sentiments so properly expressed by the Prime Minister about the loss of life of the British serviceman in Afghanistan in the past few days.

On the issue of the day and what the Prime Minister has said about the ministerial code of conduct, does he agree that it seems absurd that an ex-Minister is obliged to seek advice, but is not obliged to take that advice? As a result of this experience, will the Prime and the Cabinet Secretary urgently address that issue?

The Prime Minister: It is clear now, if it was not before, that when Ministers leave office, they are expected to take the advice of the independent advisory committee. Obviously that has to be made clear, although I would say that it is fairly clear now.

Mr. Kennedy: The Prime Minister is ignoring the fact that ex-Ministers can seek advice but not take it. That is a ridiculous state of affairs for a ministerial code of conduct.

It was well reported recently that the former Secretary of State for Work and Pensions and the Prime Minister disagreed about incapacity benefit reform. May we have

an assurance that the No. 10 machine will not seek to impose its will as to the reform of incapacity benefit on whoever occupies that office later today? That is what people out there actually care about.

The Prime Minister: Again, when we get back to policy, I can tell the right hon. Gentleman that the Liberal Democrats now oppose every single reform in the public services or on welfare. It is absurd to say that incapacity benefit, which now costs £13 billion a year and leaves 3 million people economically inactive, does not need reform. It does need reform and this side has the courage to do it. As ever, when it comes to a policy decision, the Liberal Democrats lack that courage.

Q2. [23740] **Paul Farrelly** (Newcastle-under-Lyme) (Lab): Will my right hon. Friend the Prime Minister join me in congratulating schools in my constituency on the genuine increase in standards that they have achieved since 1997? [HON. MEMBERS: "Urgh!"] They are too eager. However, does my right hon. Friend recognise that before 1997 we spent years fighting the Tories' policy of offering unfair financial inducements to schools to opt out of local authority control? Will he give the House an assurance, therefore, that in any future education reforms the Government will not offer, directly or indirectly, any unfair financial incentives to schools to opt out of local authority provision, nor to any outside organisations such as private companies or trusts—

Mr. Speaker: Order. The hon. Gentleman must be quicker.

The Prime Minister: I assure my hon. Friend that there will be fair funding for schools and no return to unfair funding. In particular—and this is the major point of difference with us—the Conservatives have said that they want a free-for-all on admissions. I emphatically disagree with that. We should not have a return to selection at age 11. That would do damage to the children of this country and their future prospects. However, we will empower schools to become self-governing trusts if they wish to do so and enable them to have outside partners. We have already done that in respect of specialist schools and city academies, which has been highly successful, but we need now to take it to a new level. Alongside the investment will come reform, but it will be reform designed for equity and fairness and not a return to the unfair policies of the Conservatives.

Mr. Elfyn Llwyd (Meirionnydd Nant Conwy) (PC): Since new Labour came to power in 1997, the Government have created 700 new criminal offences. Will the Prime Minister help the House by putting a monthly aide-memoire in the Library, so that we know how many offences have been created each month? That is urgent, bearing in mind the exotic jurisprudence in the current Terrorism Bill.

The Prime Minister: I will tell the hon. Gentleman exactly why we are legislating on antisocial behaviour. It is because we believe—at least, on this side of the House—that it is a crucial issue for people and that they want protection in their local communities. The fact that he and his party oppose the measures says a lot more about them than it does about us, when we are trying to help people who are fed up with hooligans making their lives hell in their local communities, drug dealers living in their streets and people being drunk and disorderly, with the police able to do little about it. We will continue legislating on those issues because it is the right thing to do to protect people in this country.

As for terrorism, each Member of this House will have to take a decision on the Terrorism Bill later today—*[Interruption.]* Let me say this to Conservative Members, because we need to be very clear about why we are legislating to strengthen anti-terrorist laws in this country: we are doing it because the police and the head of anti-terrorist operations say that they need the powers to protect British citizens. Of all the things that we should debate today, that is what is important to people's lives. We will do our best to protect the people of this country. Hon. Members should think carefully before they vote against the express desire of the chief of the Metropolitan police, the head of anti-terrorist operations and the people who are charged with protecting our country.

Q3. [23741] **Charlotte Atkins** (Staffordshire, Moorlands) (Lab): Will people who kill while driving carelessly now go to prison rather than face a paltry fine? Following some tragic accident fatalities in my area, can the Prime Minister assure me that the Road Safety Bill will force the courts, at long last, to take those devastating and avoidable deaths on our roads seriously?

The Prime Minister: I know that my hon. Friend has been leading the campaign on this issue with great distinction. It is worth pointing out that last year more than 13,000 fewer people were killed or seriously injured on our roads than the average number in the period 1994 to 1998, so it is obvious that strengthening the law has led to gains being made. Following public consultation earlier this year, new measures are being introduced to strengthen the framework of offences to deal with bad driving and to help to create safer roads for everyone. We shall try to introduce those measures through amendments to the Road Safety Bill. I entirely understand my hon. Friend's question: if such a massive effect were being felt in any other area of public life, people would take account of it when making decisions. That is why it is important that we get the amendments right. I am sure that we will.

Q4. [23742] **Sir Peter Tapsell** (Louth and Horncastle) (Con): Why does the Prime Minister think that it is so widely felt that his presidency of the European Union has been a failure?

The Prime Minister: I should have thought that the hon. Gentleman would rejoice if I had managed to fail—it would be a feather in my cap. We have not yet completed the European presidency: it lasts for six months and we are at month four. After the December summit, we might be able to judge the success of our presidency. One thing of which I am very proud is that we managed to open accession negotiations with Turkey and Croatia. Contrary to his views—that the EU is a

waste of time and we should not have such a thing—the fact that so many countries want to join the EU shows what a strong institution it is, despite all its difficulties.

Q5. [23743] **Sarah McCarthy-Fry** (Portsmouth, North) (Lab): Despite the tough new regulations in the Fireworks Act 2003, I am continuing to receive numerous complaints about the misuse of fireworks. At the weekend there was an horrific incident in which a Yorkshire terrier was killed when a firework was tied to its leg and ignited. Does my right hon. Friend agree that it is time to consider an outright ban on the sale of fireworks to the general public?

The Prime Minister: The most important thing is that we have introduced new legislation and created three new offences. We have to wait and see what happens before we can make a judgment on the legislation. However, I think that to ban the sale of fireworks altogether would be a step too far.

Adam Afriyie (Windsor) (Con): There continues to be widespread concern about the plight of the less well-off and most vulnerable in our society.—*[Interruption.]* When there are millions—*[Interruption.]* When there are thousands of people worried about the clawback of money because of the failure of the tax and benefits system, does the Prime Minister believe in accountability, and if so, whom does he hold responsible and when will he hold them responsible?

The Prime Minister: The hon. Gentleman is correct that there are of course difficulties, as there are with the payment of any benefit, but let us be clear about this. As a result of the tax credits, literally millions of families in this country have an improvement in their standard of living. Pensioners have been lifted out of poverty as a result of pension credit—*[Interruption.]*

Mr. Speaker: Order. Mr. Luff, there is a lot of shouting, and your voice rises above all the shouting. You ought to be quiet.

The Prime Minister: We have over the past eight years lifted 700,000 children out of poverty, and 2 million pensioners out of acute hardship. That has partly been done as a result of the payment of tax credits. So the hon. Gentleman is right to say that we must of course do more to help the poor and disadvantaged in our country, but I point out to him that when his Government were in power they froze—*[Interruption.]* They do not like to be reminded of what they did in government.

Mr. Graham Stuart (Beverley and Holderness) (Con): Labour has been in power for eight years.

The Prime Minister: That is right, eight years—and in eight years we have lifted 2 million pensioners out of acute hardship, and who put them there? In those eight years, while we have been lifting those people out of poverty, every single measure has been opposed by his party. So I agree that we need to do more for the poor and disadvantaged, but the only way they will get more is to keep this Government in office.

Q6. [23744] **Barbara Keeley** (Worsley) (Lab): Salford is the 12th-most deprived local authority area in the country. In the past, deprivation in our area has been reflected in the level of GCSE and other test results. This year, Salford achieved an 8 per cent. increase in our GCSE results and a 5 per cent. increase in key stage 3 English. Is my right hon. Friend the Prime Minister satisfied with those results, and can he tell me how they can be continued?

The Prime Minister: My hon. Friend is of course right: not merely has the Cambridge assessment confirmed the improvement in teaching, but it comes on top of the Ofsted report that confirmed exactly the same. The truth is that teaching is getting better, the results are getting better, and the reason is that this Government have invested in education and changed the education system. So whereas when we came to office just over half of 11-year-olds were getting the right literacy and numeracy results, now the figure is three quarters. That, again, is the difference between a Labour Government who care about education and a Conservative Government who in the years before we came to power cut funding per pupil.

Q7. [23745] **Mr. Paul Burstow** (Sutton and Cheam) (LD): According to the Children's Society, every year 100,000 children run away from home. Many turn to rough sleeping, crime, drug taking, alcohol abuse and prostitution. Many are hurt and harmed as a consequence. At the moment, there are just seven refuge beds across the country to meet that massive need. Those beds will not be funded after March next year; Government funding is to stop before that is evaluated. Will the Prime Minister look to stop the cut in funding in March so that the beds can be properly evaluated and we can have a proper network of safe accommodation for children who run away?

The Prime Minister: We have of course invested a large sum of money in that. The rough sleepers initiative has cut the numbers sleeping rough very considerably. We will continue to invest; we have obviously got to make sure that it is in the right way that yields the result. The hon. Gentleman is right in drawing attention to the problem, but we will solve it only by continuing the policies that we have set out. I am not aware of the particular issue that he has raised—I will get back to him on the detail—but more money has been invested in social housing and in providing for people, particularly young people who might run away from home, than by any Government for years, and we will continue doing that.

Q8. [23746] **Richard Burden** (Birmingham, Northfield) (Lab): My right hon. Friend will be aware that more than six months have passed since the collapse of MG Rover in my constituency. May I ask him to do two things? First, will he recognise the contribution that the taskforce set up by the Government has made towards helping the region and beyond to tackle the effects of that closure; and, secondly, will he recognise that there is still a large number of people who are without jobs, mainly concentrated in the area around the plant, and that they still face real problems? Does he agree that the south-west Birmingham area needs a

major regeneration programme not only to help MG Rover workers still without jobs to get back to work, but to regenerate the entire community?

The Prime Minister: First, I pay tribute to the work that my hon. Friend has done for his constituents through the MG Rover TaskForce. I congratulate the members of that taskforce, because Advantage West Midlands, Birmingham city council, the Learning and Skills Council and Jobcentre Plus have pulled together in a remarkable way to achieve the result that he described. I am pleased that 3,000 or more ex-MG Rover and supply chain workers are now in new jobs, but we need to do much more. We will invest in the new science and technology park, but we will also make sure that the programme of support that we introduced for those workers when they were made redundant continues. We will also make sure that we put the investment into Advantage West Midlands to allow it to attract new jobs for the future.

Q9. [23747] **Paul Rowen** (Rochdale) (LD): Prime Minister, you visited Rochdale on 21 April, and you gave your personal commitment to the Manchester Metrolink, including the three lines to Rochdale and Oldham. Was that electioneering? If not, can you tell us when we will be given a statement and—

Mr. Speaker: Order. The hon. Gentleman should find a proper way of phrasing his question.

Q10. [23748] **Margaret Moran** (Luton, South) (Lab): Is my right hon. Friend aware that the family courts routinely expose children to the risk of abuse and even death at the hands of violent parents, according to a new report by Her Majesty's Inspectorate of Court Administration, which says that the Children and Family Court Advisory and Support Service is putting children at risk by not assessing the risk of exposing them to parental contact orders with violent parents? Does my right hon. Friend agree that we urgently need safety measures in the forthcoming Children and Adoption Bill to safeguard our children against such violence?

The Prime Minister: We of course are concerned by the finding of the Inspectorate of Court Administration report that there is such a strong presumption by the courts that there must be contact with both parents that concerns about violence and children's safety are overridden. We remain utterly committed to the principle that the welfare of the child should be paramount in the consideration of the courts. We recognise that more needs to be done to address domestic violence concerns, so we will look carefully at any amendments to the Children and Adoption Bill that are tabled on the subject.

BILLS PRESENTED

Osborne Estate

Mr. Robert Flello presented a Bill to make provision in relation to the Osborne Estate: And the same was read the First time; and ordered to be read a Second time on Friday 20 October, and to be printed [Bill 75].

Estate Agents (Redress Schemes)

Mark Tami, supported by Chris Ruane and Mr. Iain Wright, presented a Bill to confer power to require estate agents to belong to an approved redress scheme; to make provision about redress schemes and their approval; and for connected purposes: And the same was read the First time; and ordered to be read a Second time on 20 October, and to be printed [Bill 74].

Road Traffic Regulation (Location Filming)

Mr. Iain Wright presented a Bill to enable orders under section 16A of the Road Traffic Regulation Act 1984 to be made in connection with location filming; and for connected purposes: And the same was read the First time; and ordered to be read a Second time on 14 July, and to be printed [Bill 76].

Family Law (Property and Maintenance)

12.33 pm

Rob Marris (Wolverhampton, South-West) (Lab): I beg to move,

That leave be given to bring in a Bill to abolish the common law duty of a husband to maintain his wife; to abolish the presumption of advancement in relation to married or engaged couples; to amend the Married Women's Property Act 1964; and to make provision as regards property derived from an allowance made by a civil partner for the expenses of a civil partnership home or for similar purposes.

The Family Law (Property and Maintenance) Bill is a technical but plucky little measure that is intended to abolish or equalise three relatively minor rules of law that treat husbands and wives unequally. The changes are needed to enable the United Kingdom to ratify article 5 of protocol 7 of the European convention on human rights. The UK Government have given a commitment to ratify that protocol, and they must do so on a United Kingdom-wide basis. Delay in amending the law in England and Wales also delays ratification in Scotland and Northern Ireland.

The text of article 5 to protocol 7 is entitled "Equality between Spouses". It states:

"Spouses shall enjoy equality of rights and responsibilities of a private character between them, and in their relations with their children, as to marriage, during marriage and in the event of its dissolution. This Article shall not prevent States from taking such measures as are necessary in the interests of the children."

The three relatively minor rules of law to which I referred are, first, the common law duty of a husband to maintain his wife. I should make it clear that this has nothing to do with so-called common law marriages. It has to do with legal marriages. Both husbands and wives have access to statutory remedies in the courts for obtaining maintenance or ancillary relief, as it is called, in the unfortunate event of the breakdown of their marriage. For example, statutory remedy may be obtained through the Domestic Proceedings and Magistrates Courts Act 1978, and via the Matrimonial Causes Act 1973.

In addition, there is a common law duty, as we lawyers call it, for a husband to maintain his wife, yet—unequally—there is no corresponding common law duty for a wife to maintain her husband. In order to equalise the position between spouses, clause 1 would abolish that superfluous common law duty. Thus both husbands and wives would, equally, obtain maintenance through the statutory remedies.

The second change introduced by the Bill would be the abolition of the common law rule on the "presumption of advancement" between husbands and wives. Again, that has nothing to do with so-called common law marriages. It has to do with legally married husbands and wives. At present, there is a common law rule that states that where there is no evidence to the contrary, if a husband transfers property to his wife, he is presumed to be making her a gift. However, if a wife transfers property to her husband, the presumption is that no gift is intended, and instead the wife is basically presumed to be making a loan. Clause 2 would abolish this archaic rule, so that there would be no presumption in favour of one spouse on the basis of gender.

The third rule change would be to money or property that is saved up or brought from what is termed a "housekeeping allowance". Under section 1 of the

[Rob Marris]

Married Women's Property Act 1964, as all right hon. and hon. Members will recall, if a husband pays a housekeeping allowance to his wife, any savings or property derived from that housekeeping allowance belong to the husband and wife in equal shares, unless they have a specific agreement to the contrary. So if, for example, the wife saves her housekeeping allowance from the husband and buys a sofa, that sofa will belong to the couple equally.

However, if the wife pays a housekeeping allowance to the husband, the money or property derived from it belongs to the wife only. So if the husband saves his housekeeping allowance, the sofa would belong to the wife alone. Such inequality cannot be right in this day and age. Hence, clause 3 would amend the provision, making it apply to both spouses equally, so that property derived from a housekeeping allowance is jointly owned by the husband and wife in equal shares, regardless which of them paid and which of them received the allowance.

The intention of the Civil Partnership Act 2004 was that civil partners should have parallel rights to those of married couples. Therefore it is necessary for an amendment to be made to the Civil Partnership Act 2004. That would be achieved by clause 4, which would extend the equal provision—the jointly owned sofa, so to speak—to civil partners in England and Wales and in Northern Ireland. As I understand it, the law in Scotland already applies equally to husbands and wives, and has been applied to civil partners, so no amendment is required in respect of Scottish law.

The Bill should not be controversial. It removes discrimination against men and would be a relatively straightforward means of advancing the Government's laudable equality and human rights agenda.

Question put and agreed to.

Bill ordered to be brought in by Rob Marris.

Family Law (Property and Maintenance)

Rob Marris accordingly presented a Bill to abolish the common law duty of a husband to maintain his wife; to abolish the presumption of advancement in relation to married or engaged couples; to amend the Married Women's Property Act 1964; and to make provision as regards property derived from an allowance made by a civil partner for the expenses of a civil partnership home or for similar purposes: And the same was read the First time; and ordered to be read a Second time on Friday 2 December, and to be printed [Bill 73].

Orders of the Day

Terrorism Bill

[1st Allotted Day]

(Clauses Nos. 1 to 4, 23 and 24)

Considered in Committee.

[Sir Alan Haselhurst *in the Chair*]

Clause 1

Encouragement of Terrorism

12.41 pm

Mr. Dominic Grieve (Beaconsfield) (Con): I beg to move amendment No. 79, in page 1, line 8, leave out paragraph (b) and insert—

'(b) at the time he does so, he intends or is recklessly indifferent to the fact that the publication will be understood as a direct or indirect encouragement or inducement to the commission, preparation or instigation of acts of terrorism or Convention offences.

(c) it is not necessary that the prosecution prove that he intended to cause, encourage or induce the commission, preparation or instigation of a specific terrorist act'.

The Chairman of Ways and Means (Sir Alan Haselhurst): With this it will be convenient to discuss the following amendments:

No. 18, in page 1, line 9, leave out from beginning to 'a' in line 12 and insert—

'(i) he intends it to be, and

(ii) it is likely to be'.

No. 62, in page 1, line 9, leave out from beginning to end of line 10 and insert 'he intends'.

No. 97, in page 1, line 9, leave out from beginning to end of line 14 and insert—

'he intends to incite or induce any other person to commit or prepare to commit an act of terrorism or a Convention offence; and

(c) he thereby causes a danger that one or more such offences may be committed.'.

No. 1, in page 1, line 9, leave out from 'believes' to end of line 10.

No. 2, in page 1, line 10, leave out

'has reasonable grounds for believing'

and insert

'is reckless to the consequence'.

No. 3, in page 1, line 12, leave out 'are likely to' and insert 'would'.

No. 63, in page 1, line 12, leave out 'are likely to' and insert 'will'.

No. 37, in page 1, line 12, leave out 'a direct or indirect' and insert 'an'.

No. 21, in page 1, line 13, leave out 'encouragement or other inducement' and insert 'incitement'.

No. 22, in page 1, line 14, at end insert

'and intends that his statement shall have that effect'.

No. 4, in page 1, line 15, leave out subsection (2).

No. 99, in page 1, line 16, leave out 'encouraging' and insert 'inciting'.

No. 95, in page 2, line 5, at end insert

'and

(c) thereby causes a danger that one or more acts of terrorism or Convention offences may be committed.'.

No. 85, in page 2, line 6, leave out subsection (3).

No. 6, in page 2, line 6, leave out from second 'the' to 'must' in line 8 and insert

'question of what constitutes recklessness as regards the consequential effect of a statement on members of the public'.

No. 7, in page 2, line 12, leave out 'subsections (1) and (2)' and insert 'subsection (1)'.

No. 54, in clause 2, page 3, line 5, leave out 'a view' and insert 'intent'.

No. 23, in clause 2, page 3, line 6, at end insert

'and intends at the time that his conduct shall incite acts of terrorism by some or all of the persons to whom matter contained in paragraphs (a) to (f) of subsection (1) is or is likely to be available in consequence of that conduct.'.

No. 20, in clause 2, page 3, line 12, at end insert—

'where the conduct was intended to be a direct or indirect encouragement or inducement to the commission, preparation or instigation of an act or acts of terrorism or if in all the circumstances it should have been apparent to the accused that it was likely to be so.'.

No. 24, in clause 2, page 3, line 14, leave out

'direct or indirect encouragement or other inducement'

and insert 'incitement'.

No. 78, in clause 2, page 3, line 16, leave out

'likely to be understood as such'

and insert 'intended to be'.

No. 25, in clause 2, page 3, line 16, leave out 'encouragement or other inducement' and insert 'incitement'.

No. 26, in clause 2, page 3, line 19, leave out subsection (4).

No. 96, in clause 2, page 3, line 26, at end insert—

'(c) thereby causes a danger that one or more acts of terrorism or Convention offences may be committed.'.

No. 51, in clause 3, page 6, line 12, leave out subsection (8).

No. 52, in clause 20, page 17, leave out lines 38 and 39.

New clause 2—*Protection for Media*—

'Nothing in Part 1 of this Act will be an offence if it is demonstrated by an accused person that his conduct was in the course of reporting of news through a news medium.'.

Mr. Grieve: Our consideration begins with clause 1, which provides the offence of the encouragement of terrorism. Specifically, it seeks to widen the scope of incitement by moving from direct incitement to commit a criminal offence to indirect incitement. Conservative Members believe that a change in the law can properly take place to allow indirect incitement to become a criminal offence, and that proposition may attract universal support.

The issue that we must consider this afternoon is how the Government have chosen to draft clause 1. There are two areas of concern: first, the intent that is required for an offence to be committed; and secondly, whether the glorification of terrorism should form a separate and discrete part of an incitement charge.

I find clause 1 almost impossible to read and understand. I do not know where the Government found their draftsman, but if ever there were an unintelligible document, it is clause 1, which is extremely convoluted. It moves from an offence based on a person's knowledge or belief to an offence based on "reasonable grounds for believing". The offence is committed if

"members of the public to whom the statement is or is to be published are likely to understand it as a direct or indirect encouragement or other inducement to the commission, preparation or instigation of acts of terrorism or Convention offences."

The Minister must clarify what the Government are trying to achieve—the explanatory notes are no help whatever. Do the Government want the offence to be committed by specific intent, which is common ground, and can it be committed by recklessness? By my reading of clause 1, it can also be committed negligently. If my reading of the provision is incorrect, I should be grateful if the Minister would indicate as much at the earliest possible opportunity. My reading of the provision is that it is much wider than an ordinary recklessness test, because it combines the fact of a person's committing the offence only on the basis of having "reasonable grounds for believing" with the fact that members of the public need merely be "likely" to understand that incitement was the intended consequence. That combination, which I could describe as the double whammy of clause 1, goes much further than I would consider suitable and proper.

12.45 pm

John Bercow (Buckingham) (Con): Part of the problem in this breathtakingly badly drafted clause is that the Government do not specify to which members of the public it refers; it is a catch-all. Is not it readily imaginable that people who might take offence are people who are obviously uninitiated, peculiarly excitable, or in some other way lacking a level head? That is a very low threshold on which to bring about the instigation of criminal proceedings.

Mr. Grieve: My hon. Friend makes a good point. The clause is indeed unclear as regards members of the public. We must bear it in mind that the Government are saying that the individual who is making his comment of encouragement of terrorism should be mindful of every possible range of public opinion. I do not necessarily disagree with that, but it then reverses the onus back to saying that we have to be jolly careful not to criminalise what may merely be a negligent statement. Heaven knows we have enough examples of Ministers standing up in this House and accidentally saying things that they subsequently have cause to regret.

Mr. Tim Boswell (Daventry) (Con): As a relatively new reader of the details of the Bill, it seems to me that the distinction is between intent and effect. My hon. Friend may wish to consider a situation in which one person has a highly malicious intent to incite people and to celebrate terrorism but whose style of doing so is

[Mr. Tim Boswell]

so objectionable to the ordinary person that it is counterproductive because it revolts them, as against another person who makes ill-judged comments about the political situation in the middle east that might be construed as encouraging people to have recourse to terrorism. Which of those two, if either, is covered by the Bill, and is it principled to draw a distinction between them?

Mr. Grieve: My hon. Friend, very properly, muddies the waters even further by illustrating the complexity of the situation. On the face of it, a jury considering this offence will be asked not to decide whether members of the public were influenced but whether it was "likely" that people who heard the speech would have concluded that it was

"a direct or indirect encouragement or other inducement"

to commit a terrorist offence. In regard to that, they will, as the clause says further on, have to consider all the surrounding circumstances.—*[Interruption.]* The Minister for Policing, Security and Community Safety says something from a sedentary position, but I did not quite hear it.

I do not find myself in disagreement with that approach, but it brings me back to the point that I made to my hon. Friend the Member for Buckingham (John Bercow)—if a jury is to be given such a test, which is not subjective but objective, it becomes very important that we criminalise those who intend to commit the offence, not those who end up doing it by accident. That is the root of my anxiety.

Martin Horwood (Cheltenham) (LD): As the hon. Member for Buckingham (John Bercow) suggested, this might happen inadvertently in less than thoughtful circumstances. Is the hon. Gentleman aware that Universities UK fears that it might happen in extremely thoughtful circumstances, namely in the process of the publication of research and the encouragement of academic debate? It states that the Bill

"opens the question as to whether an individual student who may disagree with a lecturer's personal political view could be reported and then prosecuted for glorifying terrorism . . . It seems highly likely that students undertaking courses like International Relations, History and Politics may be exposed to or research on texts that could fall foul of Clauses 1, 2 and 6 of this Bill."

Mr. Grieve: The hon. Gentleman is absolutely right and anticipates one of the things that I was about to say. The academic world has indeed expressed serious concerns especially, in the context of our debate, about clause 2, to which I hope we may have time to move. It is also right that that anxiety relates to clause 1, because the possibility plainly exists that during robust academic discussion in a tutorial or public seminar views may be expressed that would then be criminalised. We all remember that Sir Thomas More was eventually convicted of treason because when he was incarcerated in the Tower of London he was visited by the then Attorney or Solicitor-General—I cannot remember which—

Mr. Douglas Hogg (Sleaford and North Hykeham) (Con): For Wales.

Mr. Grieve: I am grateful to my right hon. and learned Friend.

Sir Thomas was visited by the then Attorney-General for Wales who engaged in what was then called making case, which was an academic dialogue about royal supremacy. In the course of that, Sir Thomas, responding to what he thought was an invitation to academic discussion, succeeded in incriminating himself, having studiously avoided doing so previously. That may appear to be a long time ago.

Chris Bryant (Rhondda) (Lab): It was.

Mr. Grieve: It was a long time ago but the powers of the state have if anything increased since then, and not diminished. It is not for the House to pass legislation that has unintended consequences. One of our problems, which applies to the whole Bill as well as to clause 1, is that we shall, I fear, be given yet again the classic response from the Government that we need not worry too much because the Director of Public Prosecutions will make jolly sure that only the right cases are prosecuted.

John Bercow: That is not reassuring.

Mr. Grieve: It certainly is not, because it is not the business of Parliament to create law that is discretionary in its application.

Mr. Hogg: It is even less reassuring when we contemplate that in respect of overseas terrorism it is the Attorney-General who gives the consent.

Mr. Grieve: My right hon. and learned Friend makes a good point.

Mr. Alex Salmond (Banff and Buchan) (SNP): The hon. Gentleman is making a very good speech. Does he understand why the phraseology in subsection (3) of clause 1 is that the public "will understand a statement" whereas in paragraph (b) of subsection (1) it is that the public "are likely" to understand a statement? As the hon. Gentleman made a lot of money from such distinctions in a previous life, does he have any idea why the Bill is not even internally consistent?

Mr. Grieve: No, I have not. Furthermore, if the hon. Gentleman were to consult the explanatory notes, he would be none the wiser.

The issue is serious, and I will return in a moment to how we might be able to improve this part of the measure. Before I move on to glorification, I must make this point to the Minister: the Government must explain fully who they intend to be caught by these provisions and in what circumstances, so that the Committee can make a judgment, first, about whether we want the offence to be one of specific intent only—for which there are some powerful arguments, despite the wording of the amendment. Failing that, there may be arguments for providing a recklessness test. Having prosecuted in the past, I am mindful that people may properly escape justice by resorting to fanciful arguments about their motivation, even though it was pretty clear, so I accept that it is a legitimate point of discussion.

I have to tell the Minister, however, that there is a big difference between recklessness and negligence. My reading of the provisions is that they provide for the closest thing to an offence being committed by negligence that I have ever seen, even though the Minister may argue that that is not the intention of the Bill, but as she is not shaking her head vigorously at me in a negative, I have a fearful suspicion that that may be exactly what the Government were intending.

Mr. Elfyn Llwyd (Meirionnydd Nant Conwy) (PC): I agree entirely with the hon. Gentleman's line of thought, and I remind the Committee that if the recklessness test were included, there is a body of law to explain precisely where we stand on recklessness, thereby making the clause quite simple to operate. Why are the Government including such a nebulous clause, whereby the offence could border on negligence, when the recklessness test could be imposed, as it is for many other offences on the statute book?

Mr. Grieve: I agree with the hon. Gentleman and knowing of his background in practising the law, I can see exactly where he is coming from. I always found the test of recklessness to be readily comprehensible. It is right to say, however, that for reasons that I do not fully understand there has been a tendency, on several occasions before the introduction of the Bill, to drop the use of the word and replace it with the gobbledegook before us. In that respect, the Bill is not a complete novelty, but I am bound to say that I do not like it; the blurring of the edge between recklessness and negligence is something that successive Governments have attempted in several different fields where it suits them, because they have come to the conclusion that it will facilitate convictions. In some cases, they have done it deliberately, for example, in the offences of reckless driving and dangerous driving—a change that Parliament could assess—but in this context the Government have not explained what they are about.

Mr. Hogg: Is not my hon. Friend being a bit too generous to the Government on this point? My understanding of clause 1 is that a person who writes in laudatory terms about historical terrorism is caught by the clause. It does not matter whether they are negligent, reckless or acting with intent. If they were simply describing in laudatory terms what happened in Cyprus when the EOKA terrorists prevailed, they could be caught by the measure.

Mr. Grieve: Yes, my right hon. and learned Friend is correct and, as I hope I indicated, I want to move on to consider the glorification parts of the clause, which can be looked at separately.

John Bercow: I am grateful to my hon. Friend for generously giving way again.

Surely, the nub of the problem is that there is a difference between asking a jury to discern intent, which is not an unreasonable request, on the one hand, and expecting it accurately to assess likely consequences on the other. That is an extremely dangerous challenge for the jury—in essence, a political challenge—and in fact people are usually much more resistant to propaganda than they are given credit for being.

Mr. Grieve: My hon. Friend makes a good point. Equally, it is right to point out that we quite frequently have to ask juries to make an objective assessment of a set of facts, and it is my experience that, precisely because juries are robust, if they have any concerns about the matter they will acquit and throw out the charges. Indeed I suspect that if the Bill were to get on to the statute book in its present form, because, mercifully and thankfully, we have a jury system a large number of cases would be slung out. That is not what the Government intend; they intend something completely to the contrary, but the jury system exists precisely as that safeguard.

Mr. Richard Shepherd (Aldridge-Brownhills) (Con): I have a question about paragraph (c) of the amendment:

"it is not necessary that the prosecution prove that he intended to cause, encourage or induce the commission, preparation or instigation of a specific terrorist act".

Can my hon. Friend give some explanation of that, as I thought that the whole purpose of the amendment was to produce an intent rationale?

1 pm

Mr. Grieve: I understand my hon. Friend's point, but the amendment covers "a specific terrorist act". If the Bill provided for a requirement to show that the person making the speech wished for the blowing up of the Houses of Parliament on the evening of 5 November, conviction would be unlikely unless the person said, "And everybody should go and blow up the Houses of Parliament on the evening of 5 November." I therefore accept that the Government are entitled to introduce a measure that provides for general incitement—for example, a speech that requires every right-thinking person to consider whether to become a suicide bomber and thus force the British Government to change their policies. However, that is sufficient and there is no need to show that a specific incident or offence is about to be committed. That is the reason for paragraph (c) in the amendment.

Chris Bryant: I wonder whether I may tease the hon. Gentleman a little further along that line. I believe he accepts that those who said a couple of weeks ago that the clause contained no intent element were wrong. The question is, should someone be allowed to advance as a defence the claim that there was no intent and that they did not believe that their words would lead to an incident?

Mr. Grieve: I understand the hon. Gentleman's point—I have been trying to deal with it for the past 20 minutes. It is clear that part of the offence is specific intent, for which clause 1(b)(i) provides. Under it, people can know or believe that they are trying to incite terrorism and they can be convicted for it. However, as the hon. Gentleman says, the Government wish to widen its scope. To what point is it being widened? I believe that it is being widened well beyond the recklessness test—the old test that was often put into statutes to ensure that someone could not wriggle off the hook by saying, "Oh well, I may have said people should blow themselves up in Kensington high street, but I didn't really mean it." There is a difference between that and negligence, which may constitute a negligent comment of the kind that many a Minister or Member

[Mr. Grieve]

of Parliament has made on the Floor of the House and regretted afterwards. The Minister must deal with that distinction this afternoon.

Glorification is a completely separate issue. We know the origin of the glorification provisions. The Bill started out with a completely separate offence of glorifying terrorism and received massive public criticism. Consequently, the Government conducted a classic piece of new Labour dissimulation. On the one hand, they announced that they were backing down in the face of the criticism, but, on the other, they tried somehow to save the Prime Minister's face by ensuring that glorification survived. I strongly suspect that there were long and disputatious moments in No. 10 Downing street between the Home Secretary and the Prime Minister.

Mr. Hogg: Unminuted and on the sofa.

Mr. Grieve: Indeed. I simply do not understand what the Government are trying to achieve. If an act of glorification amounts to incitement, direct or indirect, a jury will find no difficulty in considering that as part of the total case. There is, therefore, no need for a separate subsection, which specifically draws attention to glorification as a way in which the offence might be committed.

Many people have glorified acts of terrorism. Hon. Members glorified—or at least expressed approval of—the actions of members of the ANC fighting apartheid in South Africa, even though those actions involved the use of violence.

Ms Sally Keeble (Northampton, North) (Lab): Expressing views about the ANC is far removed from the clause—[HON. MEMBERS: "No, it is not."] It is. The nature of the state is different. The Bill covers people saying, "Acts of terror are great and you should copy them." The clause is not only about glorification; it provides for emulation. There are two tests. The clause is completely different from what the hon. Gentleman claims.

Mr. Grieve: If, for example, I had said in a public speech to a community of Bosnians in this country at the time of the first Yugoslav war that the acts of those in Bosnia who resisted the Serb forces of the Yugoslav Government were worthy, and that they were conducting themselves honourably and laudably in protecting their community from state aggression, and the speech was a clear encouragement to people to go out and join them—or people inferred that from the words—should that be criminalised? As the clause stands, it is likely to cover the glorification of Robin Hood.

Ms Keeble: That is a red herring. My reading of the clause is that it covers someone who stands in front an audience and says, "Suicide bombers are wonderful and you should go and do the same." It covers glorification and emulation.

Mr. Grieve: I understand the hon. Lady's point, but it is adequately covered by clause 1(1), which we have just discussed. We have had a disagreement about whether we should include an offence of specific intent, negligence or recklessness—we must consider that this afternoon—but clause 1(1) covers glorification adequately. Introducing the separate glorification subsection adds nothing except to suggest that laudatory talk—no more—about the activities of individuals in foreign countries, where the acts would be likely to take place, should become a criminal offence. That is undoubtedly a major infringement of free speech because no specific offence is being incited. It may be in breach of article 10.2 of the European convention on human rights on freedom of expression. It adds nothing to the Bill. The Minister made a sedentary comment about "in existing circumstances", but invoking Robin Hood may apply to existing circumstances.

Mr. Hogg: Especially with this Government.

Mr. Grieve: My right hon. and learned Friend is right. The fact that one is invoking historical figures is no reason why that may not have an existing application.

Mr. Robert Marshall-Andrews (Medway) (Lab): May I try to offer a little assistance on the intervention of my hon. Friend the Member for Northampton, North (Ms Keeble), who has a fine record on the ANC? Would not the following statement undoubtedly be caught by the Bill? I quote:

> "The campaign to destroy government property by the ANC fighting against the Apartheid Regime is an example of justifiable violence against oppressive and tyrannical government."

That covers emulation.

Mr. Grieve: The hon. and learned Gentleman has given a perfect example. The statement would be caught by clause 1 as it stands. The hon. Member for Northampton, North (Ms Keeble) shakes her head. I assure her that it is not some cussedness on our part that suggests that it is the case; I genuinely believe it. Many Labour Members' assessment is identical to ours.

Ms Keeble: I am at a great disadvantage here because I am not a lawyer, but a comparable example might be when someone says, "Look at so-and-so, who blew up a radio mast. Why don't you go out and do the same thing?" That would encourage people directly. It would involve glorification and emulation, which, in simple terms, means copying.

Mr. Grieve: I understand the hon. Lady's point, but that is not, to my mind, what glorification is about. Indeed, the more I listen to her, the more I believe that she is making a powerful case for taking glorification out of the Bill altogether.

Mr. Salmond: That is exactly the point. The hon. Lady seems to be oblivious to the fact that if she had made the statement that she has just made anywhere other than in the Chamber, she would already be guilty of the crime of incitement. Therefore, why on earth are we discussing this measure? It clearly broadens the interpretation beyond what anyone would consider reasonable in terms of the right to free speech.

Mr. Grieve: The hon. Gentleman is right. It is impossible to understand what the Government are trying to do, except for broadening that interpretation. I regret having to say so, but this is all the more sinister for being so opaque.

Mr. John Denham (Southampton, Itchen) (Lab): Is not the problem that, in the example given by my hon. and learned Friend the Member for Medway (Mr. Marshall-Andrews), if one deleted the words "destruction of power lines"—or whatever—and inserted the words "killing of civilians" and "oppressive regime", the Government certainly intend to catch that under clause 1? The only thing that would prevent someone from being prosecuted for using such language in the South African context, or in the context of suicide bombers, would be the decision of the Attorney-General. In effect, a political judgment would be made about whether someone was to be prosecuted? Is there a way round that?

Mr. Grieve: The right hon. Gentleman is quite right. One difficulty is that the discussion on the definition of terrorism—to which he has paid a great deal of attention—has been deferred until tomorrow's debate. I tabled an amendment, which I deliberately tried to introduce into clause 1, so that we might have that discussion at the same time as our deliberations on the clause, although I do not criticise the Clerk for having moved the amendment away.

The right hon. Gentleman highlights the fact that it is possible to look at this issue from another angle, which involves the definition of terrorism. At the moment, however, we have to proceed on the basis that the Government's definition of terrorism is extremely wide. Moreover, they are seeking for the first time to create a worldwide jurisdiction with the capacity to criminalise anyone in the world for making a comment that falls within the UK definition of terrorism, which is intended for conditions in this country. I have to say to the Minister that that is a bold thing to try to do.

Mr. Hogg: Very courageous.

Mr. Grieve: Indeed, and pregnant with disaster, if the Government get it wrong. It will not be adequate to fall back, as the Government will, on the argument that that will not matter because the Director of Public Prosecutions or the Attorney-General will be able properly to interpret the will of Parliament. We cannot do that.

Sir Robert Smith (West Aberdeenshire and Kincardine) (LD): Does this exchange not reinforce the hon. Gentleman's earlier point that the second part of clause 1 is really designed to get the Prime Minister off the hook of having too glibly come up with a new crime, without considering the consequences? Is the hon. Gentleman not also right to point out that giving people the protection of the Attorney-General is completely unfair, because they will have to judge the mind of the Attorney-General in deciding whether they might face prosecution?

Mr. Grieve: Yes, the hon. Gentleman is right. There are often accusations that the application or interpretation of the law by law enforcement authorities can be selective. The truth is that, as in all human affairs, that probably does happen. The Bill creates the grounds for a wholly selective legal application, and I remain profoundly unconvinced about the desirability of the glorification clause. Everything that we have discussed today, including the matter raised by the right hon. Member for Southampton, Itchen (Mr. Denham), could be dealt with if the glorification clause were removed.

1.15 pm

Chris Bryant: The hon. Gentleman said something earlier with which I wholly agree, namely that many Members on both sides of the Committee are more concerned about the issue of glorification than they are about many of the other provisions in the Bill, not least because many of us have taken part in the fight—not necessary the physical fight, but the ideological one—against oppressive regimes around the world.

I want to tease another response from the hon. Gentleman. He says that glorification is a stand-alone issue, but in fact the clause is worded to contain three lock-ins that have to go together. First, there has to be

"direct or indirect encouragement or other inducement to the commission, preparation or instigation of acts of terrorism".

Then there has to be glorification, as well as the emulation element. The three things go together. Glorification is not a separate offence in itself.

Mr. Grieve: If it is not a separate offence, why is it there? What is the point of having clause 1(2) unless the intention behind it is to highlight a particular area and to give a steer to the judge and jury. I see the Minister nodding: that is obviously exactly what is intended. I do not agree with that. The jury should decide what incitement is. In some cases, jurors might conclude that a form of exhortation or glorification amounted to incitement; in other cases they might decide that it did not. That should be a jury matter, not a matter on which the Government impose their view, especially as that would have the capacity to distort the entire concept of the legislation.

Mr. Alistair Carmichael (Orkney and Shetland) (LD): Can the hon. Gentleman think of many circumstances in which an act could be interpreted as glorification without it being possible to infer that people were being encouraged to emulate it?

Mr. Grieve: I can envisage circumstances in which people might wish to glorify past events. We are talking about existing circumstances, but that is rather loose terminology. It might be possible to have an ongoing conflict in which violence was not occurring. Any glorification of the recent events in that conflict would therefore be seen as having relevance to existing circumstances. That is an example. I agree with the hon. Gentleman that it is likely that the glorification of a specific activity will be caught by the legislation anyway. That is all the more reason why it should not be highlighted. We have no business doing that.

John Bercow: It might be argued that an academic treatise was precisely the kind of example in which glorification would not imply any desire to emulate an activity. The hon. Member for Rhondda (Chris Bryant) wrongly takes comfort from the notion of an interlinkage—in a sense, a mutual dependence—between the three separate concepts that he mentioned. May I suggest that it is not a good idea for there to be three such concepts in any one clause—let alone a subsection—and certainly not when there is no requirement to prove intent?

Mr. Grieve: I agree. On academic treatises, it is quite common, particularly in philosophy departments, to ask university undergraduates to produce essays on the question of whether violence is ever justified. I seem to remember writing one myself. It is not difficult to put together a coherent academic argument, based on recent examples, that good might have come from the use of violence. Such writing would be caught by the operation of the Bill. An academic treatise might reach the conclusion that political violence, including acts of terrorism, was justified in some circumstances. Irrespective of whether the context was a foul regime, or of whether in practice the violence involved attacking the security forces while respecting civilians, such a treatise would be caught by the Bill as it stands—

The Minister for Policing, Security and Community Safety (Hazel Blears) *indicated dissent.*

Mr. Grieve: The Minister shakes her head in disapproval, but that is what the Bill currently says and there is no escape from that. The Minister might have all sorts of other explanations to advance as to why we should vote for the measure, but that is not one of them. What the Bill says at present precisely catches such examples.

I want to move on briefly to cover the amendments that have been tabled and then give other hon. Members the opportunity to participate. As I said, amendment No. 79 would replace the existing tests to make it quite clear that there were two tests—one of specific intent and one of recklessness. I am always conscious, particularly late at night in my room at the House of Commons, that drafting could be wrong, but that is the intention behind the amendment. It would therefore make a concession, which I am mindful the Committee might not wish to accept, that recklessness could be an ingredient of this offence, rather than it involving merely a specific intent. I hope the Minister specifically tackles that matter when she responds to the debate.

Amendment No. 1 would remove everything except specific intention. Therefore, there would have to be a specific intention to carry out the offence. Indeed, I rather thought that this would be the lead amendment for the purposes of this afternoon's proceedings, which is why I tabled it first. Although that has not happened, I might want to commend such a possibility to the Committee. I want to listen to what the Minister has to say in respect of that. Amendment No. 2 deals with another example of recklessness and would remove the likelihood altogether.

Amendment No. 4 relates to glorification. This is, for me, a key amendment because it would remove the glorification provision in its entirety. I simply say to the Minister that, at this stage, I will need a lot of persuading not to put that to the vote when the time comes—with the leave of the Chairman of Ways and Means—because I believe the amendment is critical. I shall be interested to hear Members' views.

Amendment No. 6 tries to define recklessness according to its impact on members of the public, so it can be linked to the previous amendment. As will be seen, it involves the consequential effect of the statement on members of the public. In a way, that provides an alternative approach to that of the Government. My concern, as I said, is that I find the Government's wording extremely woolly, and I much prefer the old clarity, which seemed to exist in earlier legislation and which we seem to be abandoning so quickly. Amendments Nos. 54 and 78 also deal with the issue of specific intent. Finally, amendment No. 26 has been tabled by Government Back Benchers.

Those are the amendments that I am putting to the Committee, and the view I take at the moment is that we must restructure the way in which clause 1 is worded. We must ensure that it is clear. We must decide whether it should involve an offence of specific intent only or whether we want to add anything to that. I have an open mind on whether we should do so. Above all, I take the view that the glorification provision ought to be deleted.

Mr. Marshall-Andrews: I want to speak to the amendments that stand in my name and the names of others. I can deal with them compendiously. They relate to the question of specific intent. They do not descend to deal with recklessness, which in my view would be wrong in a criminal statute of this kind. They would both remove the words "encouragement or other inducement" and replace them with the old and well-known rubric in the criminal law—namely, "incitement"—and remove the odious provision relating to glorification.

If I may, I shall being by speaking to my first amendment. When we pass a criminal statute, it is always as well to look at the acts that will be criminalised by that statute—not the acts that the Government intend to be criminalised by the statute, because the courts do not look at the Government's intention. Indeed, they are proscribed from doing so. We should consider a small litany of the statements that will, without a shadow of doubt, be caught by clause 1. The first—it might be recognised by many—fell from the lips of an important person not so long ago, who said, "In view of the illegal occupation of Palestinian land I can well understand how decent Palestinians become terrorists." That statement was made by Cherie Booth, Queen's Counsel and the wife of the Prime Minister. When she made it, I agreed with the sentiments she expressed and leapt to her defence, because she was criticised throughout the press, and indeed in the House, for making it.

Indeed, I went on the radio and, in a trenchant debate with the right hon. Member for Maidstone and The Weald (Miss Widdecombe), pointed out that it is possible in this world to hate the sin and love the sinner. I can say in passing that that is the only occasion that I can remember when I have ever been on the media and supported somebody who inhabits No. 10 Downing street. But I did my best to do so. This morning, on the "Today" programme, the Home

Secretary said, in his inimitable way, "This will not be caught by the Act." Well, I would like to debate that with the Home Secretary—he is not here, of course—and with the Minister so as to find a single part of the clause that offers any comfort to anyone delivering that public statement.

Such people must consider, reasonably, that there will be someone out there, listening to them, who, having heard them express that, will be encouraged to commit an act of terrorism. "Encouragement" is, of course, the word involved here. One takes a harmless analogy: I can imagine people saying, "There is legislation that the Government try to pass that is so awful that it can be understood that even loyal and decent Back-Bench Labour MPs oppose it." I have sympathy with that. It undoubtedly encourages me, on occasion, and I have a number of letters not markedly different from that in my postbag in respect of the Bill. That statement is undoubtedly caught, and there is no defence. There is no proviso in the Bill that would enable Cherie Booth, QC, if the director chose to prosecute her, to defend herself.

Mr. Hogg: Taking the proviso of the director, while that prevents a prosecution from being started, it does not make the initial statement lawful, with the consequence that fear of prosecution stands as the real curtailment on freedom of speech.

Mr. Marshall-Andrews: The right hon. and learned Gentleman has, as always, anticipated a great deal of what I am going to say. In fact, I hardly need say it. However, in due course I shall come to correspondence that I have had with the British Library on precisely that point.

A public statement—one we have touched on already—that "The campaign to destroy government property by the ANC fighting against the Apartheid Regime is an example of justifiable violence against oppressive and tyrannical government," has all the necessary elements of this offence. In so far as one can even begin to interpret "glorify", it certainly glorifies what the ANC did, and contained within it there is also the statement that others should emulate it if they find themselves in that particular position. It would lend to them encouragement.

I can remember—I wish to plead guilty to this now—during the ANC struggle in South Africa meeting ANC members who came to this country who were going back to South Africa to continue that campaign. I make no bones about it: I offered them not only encouragement, but succour, victuals and my humble hospitality. I did so with a clear conscience, and I always will. Under the provisions of the Bill, I could be arrested tomorrow.

1.30 pm

Mr. Boswell: I have much sympathy with what the hon. and learned Gentleman is saying. Can he clarify for the benefit of us lay people that any such act of condoning or supporting terrorism would not have to be specific to any particular act that that person might commit, or that another person might commit, but that it would be a kind of fishing expedition for the future? Unless we all signed up today to say that we would never under any circumstances condone any use of violence or acts of terrorism—although I hasten to say that none is anticipated on my part or that of most contributors to the debate—that would by itself constitute or run the risk of constituting some endorsement or glorification of terrorism for the future.

Mr. Marshall-Andrews: The hon. Gentleman is right. That is the horrendously, deliberately and expressly wide nature of this part of the Bill.

Another example would be that of a proposer of a university debate—I think that I have also done this myself—speaking to the motion, "This House would become a suicide bomber," and delivering, one hopes, a particularly cogent speech, not believing it for one minute or intending that it should happen, but knowing that there is a student audience out there that includes near-radicalised or semi-radicalised people who might listen to the words and be encouraged to commit terrorist acts as a result. That would be caught under the Act, without a shadow of a doubt. One would have to rely on the Director of Public Prosecutions to exercise his imprimatur to avoid it.

A teacher or tutor distributing terrorist propaganda to a class studying history in the middle east would be caught under the Act without a shadow of a doubt.

Jon Trickett (Hemsworth) (Lab): My hon. and learned Friend might be coming on to deal with great works of literature. I am thinking, for example, of Sartre's magnificent trilogy that tries to work out existential philosophy through a description of 1930s history. In that, he delivers a paean to the revolutionary fighting spirit of those in Barcelona fighting tyranny. He ends the book with a great nihilistic act of self-destruction, in which the hero takes a machine gun and mows down Germans in front of him from a church tower, and is eventually killed himself. Has he considered the implications for such great works of literature, which seem to incite violent acts in precisely the terms of the clause that he describes?

Mr. Marshall-Andrews: I have done so, and I am grateful to my hon. Friend. Undoubtedly, the dissemination of those works would be caught under the Act, and I am pleased that he chose that particular great author because of the existential nature of what we are debating.

Mr. William Cash (Stone) (Con): Does the hon. and learned Gentleman accept that the glorification of the Catholic martyrs, which is intimately connected with their persecution during the 16th century, and the beatification and enhancement to sainthood of people such as Edmund Campion, would also fall into that category, specifically because they were convicted of treason?

Mr. Marshall-Andrews: I am grateful for the cornucopia of examples with which I am being showered, all of which are absolutely sound. With no doubt, that is what the Government will criminalise.

Any newspaper that puts a Hamas propaganda leaflet on its front page, either to debate it or attack it, will also almost certainly be guilty under the Act. Yesterday, I received the careful letters that the British Library has

[Mr. Marshall-Andrews]

sent to the Home Secretary expressing fear and apprehension that by sending works of art and historical or modern works to other libraries or those who demand them it will fall foul of clause 2. When I spoke on the phone to the author of that letter, I could offer him no comfort whatever that he would not be prosecuted under the provisions of the Act.

Mr. Llwyd: When the hon. and learned Gentleman began, he said that the old-fashioned offence of incitement would cover what it is necessary to cover in this field. He might have heard me mention earlier that 700 new criminal offences have been introduced by this Government. That surely must stop. I agree in every way with what he is saying. He is a learned man who knows how these things work. The provision is an absolute nonsense. In responding, can he tell me what view he has on the enforceability of such law extraterrestrially?

Mr. Marshall-Andrews: The extraterrestrial aspect had not occurred to me. With great respect, I have a wide-ranging view of this legislation, but it stops somewhere around the Olympian height. In any event, I am enormously grateful, as always, for the hon. Gentleman's support on the broad aspects of the debate. As to the general enforceability of the provision, we all know, as the Home Secretary says in his inimitable way, that it will not be enforced—that is what he means. We cannot pass legislation like that. He has a charming way of dealing in public debate with those who point out to him that such an activity will be criminalised under the Act—he says, "No, it won't." That is it—he makes an ex cathedra statement, says that we are wrong, and passes on to the next prosecution.

Mr. Gerald Howarth (Aldershot) (Con): The hon. and learned Gentleman and my hon. Friend the Member for Beaconsfield (Mr. Grieve) have made a forceful argument. Over the past few years, however, some seriously inflammatory statements have been made by Omar Bakri Muhammad and others. I have complained about that, and the hon. Member for Hendon (Mr. Dismore) has been complaining for years about it. Every time that I have raised the issue, including with the Foreign Secretary when he was Home Secretary, and asked why no action is being taken against such people, we are always told that there is insufficient evidence or insufficient laws on the statute book to deal with it. Can the hon. and learned Gentleman, as a lawyer, assist the Committee to understand how, with the plethora of laws to which he has referred, the Government have been singularly incapable of dealing with such people, and yet another piece of legislation is proposed for us, which we know is also unlikely to be enforceable?

Mr. Marshall-Andrews: If I can employ a well-known legal term, the answer that the hon. Gentleman has been getting is absolute rot. There is an abundance of weapons in the prosecutor's quiver to deal with that. Why Bakri in particular has not been prosecuted, and why those acts have not been prosecuted under the incitement provisions, is a matter of complete bemusement to me. Yet we are told that we have to wait because we need a new law.

The amendments tabled by me and others would go a considerable way to redressing the matter, as they introduce into the Bill an element of intention. Intention is well known in the law—juries deal with it all the time. As to how one proves it or gets inside a man's head, it is simple—one listens to what he says and the context in which he says it. One then says that, in those contexts, he manifestly intended to ferment terrorism or terrorist acts. That is not difficult, and I cannot understand for a moment why the Home Secretary will not accept it, particularly as it is already enshrined within European jurisprudence.

In the circumstances, the next of our amendments is less important. Why should we not replace "encouragement or other inducement" with "incitement"? I would like the Minister to answer, on the basis of heads, pins and angels, what is the difference between encouragement or other inducement and incitement? The Government tell us that the purpose of the Bill is to create indirect incitement as an offence, so why not use the words "indirect incitement" instead of indulging in encouragement and inducement?

While we are on semantics, the next amendment is to remove completely the odious glorification provision. At least we no longer have "exaltation" as well—no doubt that is a favourite word of the Prime Minister's, but it has disappeared. Such semantics and verbiage might be appropriate to Frederick Handel or William Blake, but they have no place whatever in the sterile world of criminal jurisprudence. We might glorify God, but we do not glorify what men do, and nor do we exalt it. Those words have no place in criminal jurisprudence, and should be expunged from it immediately.

This is, in truth, the worst part of the Bill. Most of the media interest has centred on the three-month period, which is itself an affront, but this is the worst part. The three-month period can be changed at the drop of a hat, but once this provision is on the statute book we will let loose into criminal law something that all of us, in the course of our lives, will have cause profoundly to regret. I urge the Committee to join my colleagues and me in pressing amendment No. 79 to a Division in due course.

Mr. Carmichael: Let me first offer a few words of reassurance to the hon. and learned Member for Medway (Mr. Marshall-Andrews). I detected a real note of concern in his voice when he told us that, in rushing to the defence of Cherie Booth, QC, he had blotted his copybook by defending someone residing at No. 10 Downing street. My understanding is that, while Cherie Booth's husband's place of work may well be No. 10 Downing street, she actually resides at No. 11. Whether he acted intentionally, recklessly or negligently, I think that the hon. and learned Gentleman has maintained his proud record.

The kindest thing that can be said about clause 1 is that parts of it are opaque. Other parts border on the impenetrable. In my view and that of my colleagues, it fails a basic test. One of the fundamental principles of natural justice is that law should be clear enough for citizens to be able to regulate their conduct according to it. Subsection (1) uses the words

"members of the public to whom the statement is or is to be published are likely to understand it as".

That means that someone could find himself negligently contravening clause 1, which is why we cannot support it in its current form—notwithstanding the consensus referred to by the hon. Member for Beaconsfield (Mr. Grieve), in which I would wish to join him.

The Minister will say that it will be all right on the night, because the Solicitor-General or the Attorney-General will determine which prosecutions can proceed, and of course Law Officers and Governments always act sensibly in such cases. Like the hon. Member for Buckingham (John Bercow), I do not find that particularly reassuring. It is not for the House of Commons to pass legislation under which the citizen must second-guess the judgment of a Law Officer before deciding whether his conduct will bring him before the courts.

One might ask whether this really matters. We have heard, and will no doubt hear again, all the Government assurances, but where the law is opaque and difficult to understand, it is also difficult to secure convictions following prosecutions. If members of a jury cannot see the sense in what is being done by the prosecutor, they will acquit. In framing clause 1 as they have, the Government seek to defeat their own purposes. At the very least, the clause ought to contain a substantial element of intent which is not there now. That is the purpose of our amendment No. 18, amendment No. 79—tabled by the hon. Member for Beaconsfield and his colleagues—and various other amendments.

1.45 pm

It cannot be acceptable that an offence attracting such a substantial penalty can be committed negligently. The next question to consider is whether recklessness can be imported. Here I tend to agree more with the hon. Member for Beaconsfield than with the hon. and learned Member for Medway, but I do not consider the issue to be one of great substance. The important point is the presence of a substantial element of intent. Whether an objective or a subjective test is applied to establish that intent—which is where recklessness comes in—can be considered another day. Viewing the matter from my perspective as a former prosecutor, I think that if the offence is ever to be made workable, the recklessness option ought to be available to the prosecuting authorities.

The Government have moved substantially since the early days when glorification was first mooted as an offence in its own right, and the Liberal Democrats welcome that. Nevertheless, if the Committee supports amendment No. 4 and removes the glorification provision, we shall be doing the Government a favour. The provision seems to me to have no purpose, other than to save the Government's face to some extent, given that the Prime Minister started this hare and set it running. Of course glorification will be there as an adminicle of evidence that can be considered by the jury, but including it in the Bill adds nothing and, indeed, widens the scope to an unacceptable degree. When we see it in a context of a Bill that does not, in my opinion, give a proper definition of terrorism, we find ourselves in an exceptionally difficult position.

This morning, the Home Secretary got into some difficulty on the "Today" programme when the interviewer referred to the hon. Member for Belfast, West (Mr. Adams), who was considered by many to have glorified terrorism on a number of occasions in the past. Indeed, I think that, even if the clause were amended comprehensively, much of what the hon. Member for Belfast, West did in the past would still be caught. It must also be said, however, that the hon. Member played a significant role in the ending of terrorism in Northern Ireland. Perhaps we should pause for thought before considering the full import of what will be achieved by the creation of offences such as this.

The question for the Committee is this: does subsection (2) add or subtract anything? I do not think that it adds anything, but it contributes massively to the lack of clarity in clause 1, and I therefore believe that it should be removed.

Mr. Hogg: The hon. Gentleman says that the subsection does not add anything. What he means, surely, is that it extends the range of activities that will be caught by clause 1.

Mr. Carmichael: That is true. When I said that the subsection did not add anything, I meant that it did not add anything positive. It adds a great deal that is negative. As I may have already said, it contributes substantially to the lack of clarity in the Bill, but it does not add anything that we want.

The lack of a proper definition of terrorism, along with the wide jurisdiction envisaged in the Bill, raises serious concern in my mind about the possible implications for free speech. The defences in subsection (5) are very tightly drawn. I defy anyone to explain to me why paragraph (a) is there or what it means: it is one of the more impenetrable provisions. Paragraph (b) makes it a defence for a person to show that the statement in question did not have his endorsement, while paragraph (c) makes it an offence for him to show that

> "in all the circumstances . . . it did not express his views and . . . did not have his endorsement."

That leaves a big gap that remains to be filled in relation to terrorists or freedom fighters who are the subject of a report such as a documentary. One thinks of the many despotic regimes around the world now and throughout history. One thinks of John Pilger's documentaries about Vietnam and of the current situation in Uzbekistan. It is right that people should know what happened in Andijan on 13 May in a way that, frankly, they currently do not. It is difficult to see how a person making a documentary about a volatile and emotive situation such as that in Uzbekistan would not fall foul of the clause. The defences listed in subsection (5) might well be breached.

John Bercow: Is it not clear that the Minister let the cat out of the bag in winding up last week's Second Reading debate when she accused those of us who referred to the international scenarios that the hon. Gentleman has just depicted as seeking to distinguish between a "good" terrorist and a "bad" terrorist? I hope that the hon. Gentleman agrees that the precise point that we were seeking to make is that there is a distinction between not a good terrorist and a bad terrorist, but a terrorist and a freedom fighter. The Minister's mistake is to take a Euro-centric view of the world.

Mr. Carmichael: That is but one of the many mistakes that we might identify in that speech. My recollection is that the Minister went further, saying that only those who sought to resist by non-violent means could be given support. That is palpable nonsense. The difficulty is that the distinction that the hon. Gentleman seeks to draw between terrorists and freedom fighters, for example, is not always apparent at the time. It is an awful lot easier to judge that distinction with the benefit of hindsight and the clarity of history, but the clause makes no allowance for that point. In the case of Uzbekistan—my working example for the moment—we are relying extensively on the Uzbek Government for information on what happened in Andijan. That makes such judgments all the more difficult.

John Bercow: The hon. Gentleman is right: the benefit of hindsight is very great indeed. But even if one does not work on the assumption that history tends to be written by the winners—I do not offer myself that protection—we can safely say, for example, that Burma is an illegitimate state. In such circumstances, to criminalise someone who supports the attempts of the Karen National Liberation Army to overthrow that illegitimate state is wrong.

Mr. Carmichael: Indeed, and my own views on Burma are on the record, as are the hon. Gentleman's. The real difficulty that all who value democracy face if we pass this clause is how one resists an illegitimate Government once they have taken control of the mechanisms of the state. So far as I can see, the Government have so far provided no answer to that question. They have introduced a very wide-ranging Bill that would cover such situations, because it seeks to achieve a worldwide jurisdiction, regardless of the locus of the incident complained of. The hon. Gentleman is doing the Committee a great service in bringing this fundamental flaw to its attention.

Alan Simpson (Nottingham, South) (Lab): The opening paragraph begins in a fairly straightforward way:

> "In the Lenin Barracks in Barcelona, the day before I joined the militia, I saw an Italian militiaman standing in front of the officers' table."

It goes on to offer both encouragement of, and glorification of, what was to follow:

> "Something in his face deeply moved me. It was the face of a man who would commit murder and throw away his life for a friend—the kind of face you would expect in an Anarchist, though as likely as not he was a Communist."

The encouragement and glorification is found at the end of the paragraph:

> "Obviously he could not make head or tail of the map; obviously he regarded map-reading as a stupendous intellectual feat. I hardly know why, but I have seldom seen anyone—any man, I mean—to whom I have taken such an immediate liking."

That is the opening of an illustrious and well-known book written by Mr. Blair—Eric Blair. Those who find it easier to recognise him as George Orwell will also recognise that it is the start of "Homage to Catalonia", a book that unambiguously sought to praise those participants in the civil war in Spain who attempted to create a republic. Blair himself was open about, and proud of, his own involvement in that process as a "brigadista".

I am not sure that the family tradition of such political alliances still continues, but throughout the recent history of this country—and certainly within the Labour and internationalist movements, and in the history of our literature—"Homage to Catalonia" has been regarded not as a revolutionary tract, but as an honourable, distinguished and legitimate book. However, it falls foul of the Bill's definitions of acts of incitement of, and encouragement of, terrorism.

Mr. Llwyd: "Homage to Catalonia" was on the book list when I was doing my A-levels at Llanrwst school. It is a great book, but perhaps we should remind ourselves that the same author wrote "Nineteen Eighty-Four".

Alan Simpson: He did, and perhaps that book also encourages and incites resistance to tyrannical regimes.

Jon Trickett: Had I read out a passage from "Homage to Catalonia", I would have chosen precisely the one that my hon. Friend chose. Is it not a fact that the Independent Labour party, which was part of the Labour party, glorified what was happening in Barcelona during the Spanish civil war—such as the violence committed against Franco—and that sections and individual members of the Labour party actually raised money to arm those in Barcelona who were resisting fascism, and sent over International Brigade troops? Did not distinguished Labour party and trade union members fight in Spain in a manner that would now be described as terrorism? If that happened now, the Labour party would doubtless be prosecuted under this Bill.

Alan Simpson: That is absolutely true, and it is precisely the reason why I and other Members from all parts of the House have tabled amendments to a clause that is an absurdity.

Mr. Hogg: What the hon. Gentleman says about literature is entirely right, but does he not agree that precisely the same point applies to any historian writing in laudatory terms, and in an historical sense, about struggles in any part of the world?

Alan Simpson: I completely accept that point, which was also made by my hon. and learned Friend the Member for Medway (Mr. Marshall-Andrews). He said that the British Library cautioned the Government about the draconian consequences that would follow, were this House daft enough to pass legislation that included such terminology.

My hon. and learned Friend the Member for Medway also drew our attention to the question of fund-raising for such causes. I do not doubt the generosity of his hospitality toward those Members who were involved in the anti-apartheid struggle and supported the African National Congress. I suspect that he, like many of us, contributed cash to that process—cash that supported the ANC's work. To do so would now be seen as actively encouraging the actions that were then taken.

The huge danger is that the Government are treading into such areas without thinking through the consequences. The question has been raised of the position of Members of this House and members of

the wider public who take issue with the actions and very existence of non-legitimate regimes throughout the world.

It is true that that case can be made about Burma, which has a wretched regime. Do we wish to make it a terrorist offence actively to speak about events in that country, and to encourage the resistance movement in such countries to pursue regime change? It is crazy to land ourselves in the position of gagging society and not allowing people to pledge their support or call for international support for those in domestic troubles who seek to free themselves from tyrannical regimes.

2 pm

Mr. Hogg: Does the hon. Gentleman agree that there is a curious paradox here, in that on the one hand, it appears that it is proper for Governments to wage war to procure regime change in Iraq, whereas on the other, if we recommended that the citizens of Iraq should have risen up to destroy Saddam Hussein; we could be prosecuted in this country for doing that?

Alan Simpson: Indeed, that is a paradox. We seem to have drifted into the dreadful position whereby over the past few years, the international perspective has drifted away from a presumption that all countries should be held accountable to the international courts and the Geneva conventions. Instead we are allowing ourselves to drift into a world where the rules are written by the rich and powerful. If someone is in a position to conduct an illegal war and pursue regime change on that basis, they subsequently rewrite international law to justify that. But to invite, encourage or support people within tyrannical regimes to do precisely the same thing becomes a terrorist act. That is nonsense.

Mr. Denham: Does my hon. Friend recall the first President Bush, at the end of the first Gulf war, urging the Iraqi people to rise up and overthrow Saddam Hussein? Has he considered the possibility that had this Bill been in place at that time, the President would have been guilty of an offence under British law, and subject to seven years' imprisonment?

Mr. Marshall-Andrews: Not all bad, then.

Alan Simpson: Indeed, there are considerations that might make me think again about the unexpected virtues to be found in such a Bill—but I doubt whether that is the sort of person who would be hauled before the British courts.

Mr. Salmond: The President would have been fighting a legal war—unlike the one that his son pursued—but, given the international scope of the Bill, he would simultaneously have found himself on the wrong side of the domestic law of the United Kingdom. Even somebody pursuing an internationally legal action could find that action illegal under this ridiculous Bill.

Alan Simpson: That highlights the paradoxes and absurdities in the Bill.

A couple of weeks ago, Parliament added to the list of proscribed organisations an Uzbek organisation calling for the removal of the Karimov regime and free democratic elections. Apparently we did so on the advice of the intelligence services that the group in question was responsible for acts of terrorism within its own country. Two days later, in *The Guardian*, the then British ambassador to Uzbekistan took issue with that and, as someone who had visited the sites where it was claimed that acts of terrorism had taken place, said that they all bore the hallmarks of Government killings, with an attempt to set up the notion that they had been committed by terrorists, although there was no evidence to support that claim.

We know that Uzbekistan is a regime with a wretched record of persecuting its own citizens, torturing them and boiling them in oil. It is a horrible regime by any standards, and we ought to be able to call on the international community and the domestic communities to remove it—but under the definition in the Bill, we would not be allowed to do so.

The far-reaching consequences of the Bill in its current form are so draconian as to provide legislation that could virtually have been drafted for us by al-Qaeda. If we want to see acts that destroy the framework of liberties, confidence in democracy, accountability to the judiciary and rights of representation, they are to be found enshrined in much of the panic legislation that has been pushed through this House as an extension of the war in Iraq in the form of a war on our own liberties. We are doing what al-Qaeda sought to do by other means, and society will not thank us for it.

Those who say that there are lock-in provisions in the preconditions about encouragement, glorification and emulation need to look at clause 1(4), which points out that it is

"irrelevant . . . whether any person is in fact encouraged or induced by the statement to commit, prepare or instigate any such . . . offence."

So it does not matter what people do; it is the act of saying or writing that constitutes the criminal offence—indeed, the terrorist offence—under the Bill.

I know that my hon. and learned Friend the Member for Medway ducked the question about extraterrestrial activities—I assume that that should have been "extra-territorial"—but I want to draw the attention of the House to the fact that an in-house consequence would follow from the Bill, under the current definition of terrorism. I know that we will come to that at a later stage, but people such as myself who have pledged to be part of the Green Gloves campaign against the growing of genetically modified crops, were they to be allowed in the UK—those of us who will doubtless go out and seek to remove those crops and replace them with organic non-contaminating crops—would be in breach of the Terrorism Bill; and also if we made the intellectual and political case for doing that.

There are many people outside the House who are extremely happy to see the definition of terrorism widened in a way that will allow global corporate interests to define civilian and domestic opposition to the policies that they are trying to push through, not as acts of resistance by consumers but as acts of environmental terrorism—a phrase that they are already beginning to use. They will use exactly the same terms as appear in clause 1, and say that people are guilty of acts of encouragement, glorification and encouraging others to emulate what they have done—and thus are committing terrorist offences.

[Alan Simpson]

The dangers of criminalising the whole framework of social protest and resistance within our own society is a dreadful draconian step. I would love it if the Bill would allow us to prosecute the President of the United States, but he will not be brought before the courts. Neither will the Baptist minister in the United States who, interviewed on Channel 4 News last week, openly said, with regard to the 7/7 bombings in London, that the only shame about it was that 1 million people were not killed. He said that England deserved to be bombed in that way. Will he be branded as a terrorist? Will he be brought to trial before the UK courts? No.

The Rev. Pat Robertson, the head of the Christian Coalition in the United States, will not be brought to trial here either, although he has openly, on television, called for the assassination of the elected President Hugo Chavez of Venezuela. No one like that will be brought before the courts, but Muslim lads in this country making similar claims or criticisms about events in the middle east are precisely the ones who will be picked up. They will be defined as being in breach of the terms of the Bill, because it is not directed at crazy mullahs who are notionally on "our" side, but only at the crazies on other people's sides.

The real danger is that the Bill is a first step down the path that leads us away from judging people on what they do. In the end, we will all be judged—by our own courts or by international courts—on the acts that we commit. However, we are starting to move away from that premise and to judge people, in broad and speculative terms, on what they say.

The next step will be to judge people on what they think. For me, that is the hallmark of a society that is beginning to retreat from the founding and fundamental principles of an open and democratic society, and to take its Parliament, institutions and citizens into dark days of tyranny. That is why I urge the House to support amendments that will change this absurd clause.

Mr. Kenneth Clarke (Rushcliffe) (Con): I strongly disapprove of some of the shocking statements made by extremist preachers in recent years that have been reported in the newspapers. Offence is caused to the public when the events of 9/11 are referred to in a way that seems to heap praise on the perpetrators. In addition, great grief is caused to the victims of events such as the bombings on the London underground when they read that preachers are allowed to say things that appear to extol the virtues of the people who carried out those acts.

In most circumstances, moreover, inciting people to violence in the cause of some political purpose, however worthy, is something of which the law and Parliament ought to disapprove. Certainly, I strongly disapprove of inciting people to indiscriminate violence against members of the public in any part of the world. Many hon. Members feel sympathy for the various causes of struggling or oppressed peoples around the world, but I trust that none would give encouragement to those wanting to blow up school buses, for instance, in the territory of some odious regime.

Mr. Hogg: Will my right hon. and learned Friend give way?

Mr. Clarke: I will in just a second. I think that the body of law that we have in this country protects us quite adequately against such extremes. I always concede that the hon. and learned Member for Medway (Mr. Marshall-Andrews) is an up-to-date, practising and very distinguished lawyer, whereas I am very out of date and long extinct, at least in legal work. I shall not repeat what he has said already, but I have no doubt that no prosecutor would have any difficulty when it came to producing an adequate charge under the general heading "incitement to violence". Such an offence is quite easily covered by the ordinary law of the land, and under the terrorist legislation that the House has passed over recent years.

It is interesting to note that, until recently, no one was prosecuted for such incitement, even though some cases have been very blatant. For example, preachers have used very extreme language that must have caused offence. Their praise for the work of "heroic" terrorists must have been calculated to incite others to repeat and emulate it. The attitudes of the Government, the police and the prosecuting authorities have undergone a remarkable change in recent times. I have no doubt that some of the more blatant cases have not been prosecuted because the police and prosecuting authorities have decided—as a matter of public policy—that, however offensive statements might be, it would do more harm than good to bring them before the courts.

I cannot agree with an approach that I consider to be unbelievably nervous and cautious. I should be very surprised if Home Office Ministers had not been involved in discussions in which it was decided that the good that might be achieved by making martyrs of some preachers by sending them to prison—and there is no doubt those drawn to self-publicity would quite enjoy that martyrdom—would be outweighed by the trouble that would be stirred up among the extreme elements of misguided youth in our cities. With hindsight, I say that that decision may not have been wise.

2.15 pm

It is extraordinary, however, that the Government's opinion has swung so far away from that position that, as a matter of public policy, we now have to add a new offence that goes far beyond what is necessary to cover incitement to violence by extreme religious and political leaders. The Bill will make unlawful quite ordinary—albeit controversial—statements that many people in this country might make in the course of exercising their undoubted right of free speech.

It is totally unnecessary to introduce the indirect offence of encouraging terrorism, especially when the Bill uses such mild words to describe what a person might do. Plainly, clause 1 has been designed to make it extremely easy to convict people for making comparatively moderate statements.

This Committee stage is subject to a guillotine and, although I accept that the Government have been more generous than has been the case in the past, there is no point in my repeating the countless examples that have been given in the debate already of the words from

literature, for instance, that would be caught by clause 1. As has been noted, the words of the Prime Minister's wife would also be caught.

The whole point of the clause appears to be to make a new offence of encouraging, directly or indirectly, the preparation or commission of an act of terrorism. Yet the word "encourage" is not especially strong. Warm words might be sufficient to trigger the offence of encouragement. For instance, a person might say that he or she understands why a course of action is taken, or that the shock or dismay caused might not be too great. There is no need for someone to urge another to go out and perform a terrorist act, as the use of polite and understanding language could clearly be taken as encouragement by someone already inclined to perform such an act.

What on earth is meant by the term "other inducement", in the context of someone who is starting to think about preparing an act of terrorism? Perhaps the draftsmen had in mind newspaper stories—I suspect that they are somewhat exaggerated—that suggest that a vision of heaven is held out to some misguided fanatics, who consequently believe that they will enjoy all sorts of earthly and sensual delights if they die as martyrs.

John Bercow: They are offered paradise.

Mr. Clarke: As my hon. Friend says, such people are offered paradise as an inducement to commit an act of terrorism. However, it is still a big step for the young people concerned to take, even given the visions of pleasure that are held out to them.

Another problem has to do with what will happen if someone says, "Well, I don't agree but I'm sure God will forgive a person's sins if he performs a terrorist act." Is that an inducement to go out and prepare to commit an act of terrorism? I think that it is, which proves my point that the Bill will catch words that are really quite mild.

I think that we should stick to the words used by the Prime Minister's wife, with whom I often sympathise. She is subjected to more public criticism because of her marriage than would be the case if she were a public figure in any other circumstances. In last week's debate on Second Reading, the Home Secretary merely asserted that the Bill would not catch what the Prime Minister's wife so famously said. I have not the first idea why the right hon. Gentleman asserted that. We need to hear some supporting argument, as I believe that it is clear that what she said would be caught by the Bill.

Mr. Hogg: The argument is that the Attorney-General would not allow that.

Mr. Clarke: I shall come to that in a moment, but for now I want to endorse what has been said by my hon. Friend the Member for Beaconsfield (Mr. Grieve) and by the spokesman for the Liberal Democrats, among others. I agree that it is completely unacceptable that a person could commit the proposed offence merely through carelessness or negligence. If it is judged that there is reasonable cause to believe that a member of the public might feel a bit encouraged by something that is said to him or her, that amounts to what I suppose we are meant to regard as a serious criminal offence.

That is completely unacceptable, and the proposal should never have been presented to the House. For me, the strongest point in the discussion about clause 1 is that the intention to incite terrorism must be the minimum requirement in an offence of indirect incitement. The role of intention is fundamental in the creation of an offence of that kind. If intention were necessary, it would explain why the provision is not otiose because it would provide an alternative form of words to those already on the statute book. I would accept that it should be an offence for someone to intend to incite someone else to act in preparation for or commission of terrorism. As it is, I think that that is already covered, but I would not object to the provision. I would regard that as a grave offence and it should carry heavy penalties, unless it is part of some absurd drunken outburst, but the provision would touch on all sorts of forms of words and mean that all kinds of literature, speeches or stray remarks could be seen as encouraging preparation for terrorism if some member of the public happened to hear them and was affected in that way. That is unacceptable.

When we have put such points to Ministers, the response has been—as my right hon. and learned Friend the Member for Sleaford and North Hykeham (Mr. Hogg) just pointed out—"Ah, but the Attorney-General would not prosecute." In many cases, this House rightly passes laws, but because we know that the law might be exploited and ridiculous litigation might result—because people with particular interests might use it against their rivals in some political or religious dispute—we make it a condition that the Attorney-General, as a Law Officer of the Crown, is the only person who can bring a conviction. That removes the abuse of the threat of prosecution and the Attorney-General can ensure that a prosecution would involve a serious issue of public policy before it is brought. However, I have never known that practice to be taken to the lengths to which it is taken in the Bill. The need for the Attorney-General's approval should not be used to try to rescue a uselessly drafted piece of legislation that might criminalise works of literature. The examples already given have illustrated the absurdity of the clause. It should not be an answer to say, "Well, of course, all kinds of extraordinary things might be made unlawful by the Bill, but let us just pass this catch-all legislation and rely on the wise Attorney-General to ensure that only serious criminals face prosecution." I strongly urge against such an approach to legislation.

Throughout today, we should apply the test that the Government have applied when exhorting us all not to be soft on terrorism and to pass various other aspects of this legislation. If we are all fearful of the increased risk of terrorism—I suspect that we will face it for many years to come—we should ask of the proposals whether any sensible person would feel any safer if they were passed. That is the right test, and I would advise the most nervous of my fellow citizens, who lie awake at night worrying about the threat of terrorism, that they should not be deceived into thinking that clause 1 would make the slightest difference to their predicament. It is ridiculous and absurd, and it should never have been brought before us.

The Bill has been dragged together to give the impression of a dynamic and tough Government who are taking firm action in response to the recent outrages.

[Mr. Clarke]

If all they can produce to demonstrate firm action is this absurd legislation, the House has a duty to throw it out. If the Government begin the four days of proceedings on the Bill by defending such a provision, I fear what they will say when it comes to other significant elements within it.

Mr. Peter Bone (Wellingborough) (Con): I am grateful to be called to speak in this highly important debate on proposals that, if they were accepted without change, would threaten the very civil liberties that every Briton expects. I shall begin by making it clear that I believe that there is no excuse for terrorism. Terrorism is evil. Terrorists take the lives of innocent men, women and children. Terrorists maim and injure innocent men, women and children. There must never be any excuse for them and, when caught, they must face the severest punishment. There must be a war on terrorism so that we can continue to live in a free society without fear. We must be tough on terrorism. We must punish those who threaten the order of democracy and freedom in this country by undertaking terrorist activities. And if I thought for one minute that these clauses would reduce terrorism, I would vote for them—but I do not.

The question is whether the provisions would reduce terrorism or encourage it. In my opinion, an offence of encouragement and glorification of terrorism would encourage terrorism rather than reduce it. The provisions add nothing to the existing law that is in place to deal with terrorist suspects. These additions to the current terrorism legislation would do little or nothing that cannot be achieved by existing laws.

The proposed offence of encouragement and glorification of terrorism would restrict the freedom of speech that we have in this country. Moreover, this offence would further disillusion those people who are targets for terrorist propaganda—those groups in our communities who feel that they have been denied the opportunity of free speech on this issue. That could encourage them to support, rather than prevent them from supporting or even committing acts of terrorism.

If someone glorifies terrorism in any way, they could be charged under the current offence of incitement to commit an existing terrorist offence or—perhaps better—their comments could be exposed and dealt with freely in our society, which allows for argument and debate. What we as a country need to do is expose those people who glorify terrorism, and then present our arguments to them through the television, radio, newspapers, the internet and even in the local pub. Line by line, we should expose why their views on terrorism are wrong, flawed and evil. It is free speech, argument and leadership that win people over. It is regimes such as Stalin's, Hitler's and Saddam Hussein's that think that people can be won over by denying free speech. If Governments restrict people over what they can say, they tread a dangerous path indeed.

We have been here before. The hon. Member for Belfast, West (Mr. Adams), who appeared to be a spokesman for the IRA—undoubtedly terrorists—had his free speech restricted. We all remember the ridiculous occasions when he appeared on television with his voice dubbed by an actor because of the restrictions imposed by a previous Government. When we finally heard the real voice of the hon. Gentleman, it was less eloquent than that of the actor. But those restrictions succeeded only in giving credence to the IRA. Had we instead argued the case against his views, we would have exposed the IRA and not acted as a recruiting sergeant. Why have we not learnt from that episode? Trying to silence people in such circumstances does not work. It allows extreme minority arguments to grow out of proportion, and it plays into the hands of terrorists.

I would have preferred it if some practical solutions to the problems of countering terrorism had been included in the Bill. We have heard much talk about counter-terrorism methods through the law, but what exactly has been done in practice to improve security on the tube since 7 July?

The Temporary Chairman (Mr. Eric Forth): Order. This is a wide set of amendments, but the hon. Gentleman is going even wider. Will he please bring his attention back to the amendments?

Mr. Bone: I was just trying to say that there are better ways to approach the issue than to attack the freedom of every person in this country to say what they feel. I do not understand how banning the glorification of terrorism will prevent terrorism. It plays into the hands of the people who want to do such things. That is an Alice-in-Wonderland approach—completely the wrong way round.

The provisions should be rejected for three reasons. First, they are unnecessary; there are laws already in place, so why create new ones? Secondly, they restrict the individual's freedom of speech. The third reason—to my mind, the main one—is the great danger that the provisions will encourage rather than reduce terrorism.

2.30 pm

Several hon. Members *rose—*

The Temporary Chairman: Order. Before I call the next speaker, it might help the Committee if I say that the winding-up speeches are likely to start at around five minutes past 3. Several hon. Members are seeking to catch my eye; they should bear the time constraints in mind when they speak. I call Mr. Llwyd.

Mr. Llwyd: I am obliged to you, Mr. Forth.

I rise to speak to amendments Nos. 62 and 63, both of which stand in my name and the names of my colleagues in Plaid Cymru and the Scottish National party. Picking up the remark made by the hon. Member for Wellingborough (Mr. Bone) that we do not need new legislation, I shall go through the existing legislation.

By virtue of section 4 of the Offences against the Person Act 1861, it is already an offence to

"encourage, persuade, or endeavour to persuade . . . any person, to murder any other person".

Under section 8 of the Accessories and Abettors Act 1861, it is already an offence to counsel or procure any other person to commit any indictable offence. Under the common law it is an offence to solicit or incite

another person to commit any indictable offence. Under section 59 of the Terrorism Act 2000, it is an offence to incite

"another person to commit an act of terrorism wholly or partly outside the United Kingdom".

Under section 1A of the Criminal Law Act 1977, it is an offence to conspire with others to commit offences outside the United Kingdom. Under section 12 of the Terrorism Act 2000, it is an offence to invite support for a proscribed terrorist organisation.

Taking into account that raft of existing legislation, my firm belief is that we do not need new legislation. It would be far better to enforce the current law properly. The knee-jerk reaction of the present Government is always to create a new offence.

John Mann (Bassetlaw) (Lab): Is the hon. Gentleman saying that the points made by other hon. Members in relation to George Orwell, Uzbekistan and Burma are not relevant to the debate because powers already exist?

Mr. Llwyd: I believe that, under existing legislation, inviting support for a proscribed terrorist organisation is an offence, as is conspiring with others to commit offences outside the United Kingdom and inciting another person to commit an act of terrorism wholly or partly outside the UK.

John Mann: This an important point. A host of speakers have suggested that the Bill will create a new problem by widening the remit, but the hon. Gentleman is arguing that the powers already exist. Is the hon. Gentleman countering the point made by those other speakers?

Mr. Llwyd: The problem with the Bill is that it widens the remit and lowers the threshold of proof. "Conspire", "incite", "solicit" and "invite" are legally definable words, with specific intent attached. In clause 1, however, we have a mish-mash whereby someone could find him or herself in prison for seven years for negligently having supported some form of terrorism in the past. The National Library of Wales is extremely concerned about scholars there writing about acts of alleged terrorism in days gone by, because those treatises and scholarly works may well be caught up in this ridiculous, uncalled for Bill.

Mr. Graham Stuart (Beverley and Holderness) (Con): Does the hon. Gentleman agree that Labour Members fail to understand the Opposition parties' view that the clauses are dangerous, and is not his point that they are also unnecessary?

Mr. Llwyd: They are unnecessary, but if we are to have them, for heaven's sake, let us have a proper legal basis for the offence. We should adopt the traditional route of mens rea—a guilty mind. At the very least, there should be the intent to commit an offence, rather than stumbling into it. On that point, I pray in aid of my amendments, which would introduce a requirement of intent and replace "are likely to" with "will", a letter of support from the Law Society of Scotland, which came to me via my good friend the hon. Member for Moray (Angus Robertson). The hon. Member for Banff and Buchan (Mr. Salmond) asked why there is a difference between clause 1, which refers to what members of the public "will" understand, and other clauses, which refer to what they are "likely to" understand. I have not heard his question answered by a Government Member.

All the amendments in the group row in the same direction. My hon. Friends and I do not intend to press our amendments, because their purport is covered by other amendments, not least the ones tabled by the hon. and learned Member for Medway (Mr. Marshall-Andrews).

We have been drawn into the Bill—I shall not say dishonestly, because that would be unparliamentary, but let me say that we have been drawn into it slowly but surely by the Home Secretary. On 20 July, he said:

"indirect incitement, when it is done with the intention of inciting others to commit acts of terrorism—that is an important qualification—will become a criminal offence."—[*Official Report*, 20 July 2005; Vol. 436, c. 1254.]

That is, more or less, where the argument has focused today. On 6 October, in relation to amended draft clauses for the Bill, the Home Secretary stated that

"the offender must have also intended to incite further acts of terror".

The requirement that a person can be guilty of encouraging terrorism only when they intend to encourage further acts of terror is also found in article 5 of the Council of Europe convention on the prevention of terrorism, which requires signatories to criminalise

"the distribution, or otherwise making available of a message to the public, with the intent to incite the commission of a terrorist offence."

The explanatory notes state that clause 1

"has been introduced to implement the requirements of Article 5 of the Council of Europe Convention for the Prevention of Terrorism",

but as drafted, the clause contains no such requirement on the prosecution to prove that the accused intended to incite or encourage further acts of terrorism. Under the clause, it is sufficient that a defendant merely had "reasonable grounds" to believe that another member of the public, however unreasonable that hypothetical person may be, might understand his or her words as a direct or indirect encouragement to prepare, commit or even instigate an act of terrorism.

I am saddened by the fact that we are debating the Bill today. Such a Bill does nothing for Parliament. Only a few months ago, Parliament sought to criminalise Brian Haw, the protester who sits outside Parliament—and a right dog's breakfast Parliament made of that. Given the curtailing of every debate in this place, it is no wonder that we have been making rotten law. Rotten law is one thing, but a law that might criminalise and imprison a person for seven years for saying, without thinking about committing or intending to commit an offence, something that might be offensive is more than rotten: it is undesirable and insidious, as well. I am embarrassed by the whole process and I do not think that we would have slipped into this sort of debate 10 years ago.

The Government want to act tough. Every time, they react by creating a new offence. Earlier today in Prime Minister's questions, I referred to 700 criminal offences that have been introduced—seven per month, or almost

[Mr. Llwyd]

two a week. That is ridiculous, and of all the new offences, the ones set out in the first clauses of this Bill will be the worst. If the hon. and learned Member for Medway presses his amendment, I hope that many hon. Members on both sides of the Committee will vote in favour of it, because he is absolutely right. We should appreciate the fact that he speaks from experience and vote accordingly.

Mr. Denham: Throughout this debate we need to focus our minds on the problem that we are trying to solve; otherwise, we shall get into an abstract debate about the legislation. Despite the argument that some right hon. and hon. Members have made that there is no case for any change in the law, I think that there is broad agreement across the Committee that there is a particular problem that we are anxious to tackle, and that if current legislation is not satisfactory, we need in principle to consider new legislation. That particular problem is the role played by those who are attempting as we speak to draw young people in this country into active involvement in terrorist activity of the sort that we saw in London in July. There is a reasonable case for saying that in practice we have found existing legislation inadequate to deal with that, and that we should introduce new legislation. I hope that the Government will today recognise the extent to which the willingness to consider new legislation is accepted on both sides of the Committee, and therefore accept the strength of criticism of the way in which they have gone about trying to legislate for that change.

There are a number of real problems with the legislation. At the end of the day, the test of it will be whether the number of young people in this country brought into terrorism is reduced by at least one. The test is not one of elegance or of accord with international treaties. We have some problems, because we know relatively little about the path that is followed by a person who ends up becoming a suicide bomber. We believe that the radical extremist preachers or agitators play a role in that process, but we are not quite clear what role they play and what other processes those young people undergo before becoming suicide bombers. One thing we do know, though, from the Home Office/Foreign Office assessment of young Muslims in extremism which was leaked a few months ago is that one of the motivating factors is a belief that our laws are not even-handed—that they are biased; that they betray double standards.

If we pass the Bill in its current form, to give any active encouragement directly or indirectly to, for example, the resistance in Chechnya—not all of those involved are the murderers of Beslan; a variety of groups are involved—would clearly be an offence. However, it would be perfectly legal for this country to stand up and say, "The problem with the Russians in Chechnya is that they haven't yet killed enough Chechens." There would be no bar on saying that or proceeding on urging the Russian Government to kill more Chechens. That seems to represent a lack of symmetry in the law, which is uncomfortable.

That is not a debating point. Such an imbalance in the law is exploited in every community. Every single one of us who has ever sat down with Muslims in our communities who are not terrorists has heard them say that the trouble is that there are double standards. The Government's decision to entrench those double standards further is very dangerous, as is the reliance on the Director of Public Prosecutions. We have all chucked around fantasy cases such as prosecution of the President of the United States, but the truth is that such cases will not arise. Cases will be brought only when the Director of Public Prosecutions or the Attorney-General decides politically which type of agitation we wish to prosecute.

That is very different from the role played by another controversial Bill, the Racial and Religious Hatred Bill, under which, as the right hon. and learned Member for Rushcliffe (Mr. Clarke) was saying, we are asking law officers to set a threshold of seriousness below which trivial cases will not be prosecuted. This Bill is not about a threshold of seriousness. It is about asking the DPP or the Attorney-General to make a political choice about which type of encouragement to violence we wish to prosecute and which we do not. My concern is not so much how many cases will come before the courts, because there will be very few, if any, but the way in which that will be presented in the country by those who are trying to draw our young people into terrorist activity.

2.45 pm

A case could be made for dropping the entire exercise of clause 1 and related clauses. I am reluctant to do that. I am persuaded that there is a case for setting some standard or limit on what can be said in these areas that is clearly and demonstrably supportable, but it must be based on the problem that we are trying to tackle and solve. That problem is not animal rights extremism or the Provisional IRA—we did not have the Act when the Provisional IRA was setting off bombs, but the Home Secretary retrospectively sought to use that as a justification for these clauses—but al-Qaeda's type of terrorism and in particular its wilful use of the slaughter of civilians as a tactic.

I shall not test your patience, Mr. Forth, by going into the debate that we will have tomorrow on the test of terrorism, but we have two problems with the clauses that we need to consider together: first, the threshold for prosecution is too low; and secondly, the definition of terrorism is too broad. The Government need to indicate clearly a willingness to deal with both those matters.

The case put by the hon. Member for Beaconsfield (Mr. Grieve) about qualifying an absolute dependence on intent with the concept of reckless indifference has quite a lot to commend it. There is a serious issue with an intent-only test failing to get prosecutions in circumstances where most people would think that that would be reasonable. I hope that the Government will indicate some willingness to look seriously at that. The case has been well made that if juries are capable of judging whether someone has shown encouragement or inducement, or has negligently encouraged terrorism, they do not need the guidance of the clause on the glorification of terrorism. Juries are capable of working it out for themselves or they are not.

We need to be clear that the test is not whether people like us are offended or scared by people whom we see interviewed on "Newsnight". That is not the test or the

purpose of this legislation; it is whether we prevent any young people from being drawn into terrorism. My fear is that, as currently drafted, the clauses are likely to make things worse rather than better.

Dr. Evan Harris (Oxford, West and Abingdon) (LD): I shall speak to amendments Nos. 97, 95 and 96, which are in my name, and wish to do so in the context of the Home Secretary's declaration on the front of the Bill that, in his view, its provisions are compatible with the European convention on human rights.

I am a member of the Joint Committee on Human Rights. We will no doubt produce a report on this issue, and I do not claim that my views are those of the Committee, but we have heard a great deal of evidence and opinion on whether the measures in the Bill—particularly clause 1—are compatible. I want to give the Committee some information with which I agree and which suggests that they are not compatible.

The Government claim that clause 1 seeks to implement article 5 of the European convention on the prevention of terrorism, which they signed on 16 May 2005. Indeed, paragraph 20 of the explanatory notes states:

"The offence has been introduced to implement the requirements of Article 5 of the Council of Europe Convention for the Prevention of Terrorism . . . This requires State parties to have an offence of 'public provocation to commit a terrorist offence'. This new offence supplements the existing common law offence of incitement to commit an offence."

In fact, article 5 does not end at that point. It is headed "Article 5—Public provocation to commit a terrorist offence" and continues:

"For the purposes of this Convention, 'public provocation to commit a terrorist offence' means the distribution, or otherwise making available, of a message to the public, with the intent to incite the commission of a terrorist offence, where such conduct, whether or not directly advocating terrorist offences, causes a danger that one or more such offences may be committed."

It is critical that we understand the difference between the wording of the article that the Government seek to implement and the wording of clause 1. Article 5 clearly requires specific intent, which we have discussed, whereas under clause 1 it is sufficient for the perpetrator to have "reasonable grounds" for believing that

"members of the public to whom the statement is or is to be published are likely to understand it as a direct or indirect encouragement or other inducement to the commission, preparation or instigation of acts of terrorism or Convention offences."

My amendments are distinct from other amendments in the group, because they require the intended outcome as the commission of a terrorist offence, not just its preparation or instigation. To borrow the wording of article 5, they deal with an act that

"causes a danger that one or more such offences may be committed".

In his evidence to the Joint Committee, the Home Secretary made it clear that the clause will apply not just to so-called Islamic terrorists but to animal rights terrorists. I urge the right hon. Member for Southampton, Itchen (Mr. Denham) to bear that in mind. My constituency is plagued by animal rights terrorism, and people who defend animal rights make the point that violence begets violence, so violence against animals warrants a response. They believe that research laboratories are either a legitimate target for action or—this would be a lesser incitement—places of torture and that it is therefore legitimate to damage them. I clearly do not support such statements, but the Committee should bear it in mind that, according to the Home Secretary's declaration, the Bill is intended to cover that general incitement.

In arguing that the Bill does not comply with the European convention on human rights we should remember how much store the European Court sets by its case law and jurisprudence on freedom of speech, particularly article 10.2 of the ECHR. In paragraph 2 of its ruling on the case of Ceylan *v.* Turkey it said:

"Freedom of expression constitutes one of the essential foundations of a democratic society and one of the basic conditions for its progress and each individual's self-fulfilment."

Consequently, any proposed restrictions must be subjected to close scrutiny to determine whether the measure is both necessary and proportionate, and complies with the grounds on which the right may be limited under article 10.2.

On the questions of necessity, clarity and intention, clause 1 fails the test, as it does on the issue of using the right words for the danger of causing someone to commit a terrorist offence. It therefore falls short of our duty to comply with the ECHR. In a recent case, el-Faisal used language that, the Government would accept, should be caught. He was convicted under existing law of a number of offences, including solicitation to murder under section 4 of the Offences against the Person Act 1861, as the hon. Member for Meirionnydd Nant Conwy (Mr. Llwyd) said. That provision is likely to be used in a current sub judice case. The question of whether clause 1 is necessary is therefore key.

There are problems with intention, and I shall not repeat what has been said. However, the minimum requirement is that the clause should provide for intention. As for the causal link with violence, clause 1 merely requires that "members of the public" to whom a statement is published are likely to understand it as "encouragement" to undertake terrorist acts. There is no requirement to show that anyone is, in fact, encouraged by the statement, and causality is further attenuated because members of the public can include anyone in the world, depending on the way in which the statement is published. There are therefore concerns that the provision is too wide to fulfil our obligations. Paragraph 100 of the explanatory notes to the Council of Europe's convention on the prevention of terrorism states that

"the result of such an act must be to cause a danger that such an offence might be committed. When considering whether such danger is caused, the nature of the author and of the addressee of the message, as well as the context in which the offence is committed shall be taken into account in the sense established by the case-law of the European Court of Human Rights. The significance and credible nature of the danger should be considered when applying this provision in accordance with the requirements of domestic law."

No such provision appears in the Bill, so amendments Nos. 97, 95 and 96 seek to introduce one. Will the Minister for Policing, Security and Community Safety explain why she has not used the wording of the

[Dr. Evan Harris]

convention on the prevention of terrorism? Does she believe that it is equivalent to the wording of the Bill? No one who gave evidence to the Joint Committee thought that it was, and the wording of the clause is wider than the wording of the convention.

Finally, are we talking about what is know as an "apologie du terrorisme" in European case law? The language of the convention avoids such terms and phraseology, and there is no evidence that such terminology should be included. Is it right for the Government to use terms that many people deem equivalent to such language? Justice says that if clause 1 is not to breach the right to free expression under article 10.2 of the ECHR, a court would have to agree that the restrictions that it imposes on free expression are made in pursuance of a legitimate aim. I accept that the Government are pursuing a legitimate aim in the clause, but we must consider whether they strike a fair balance between the fundamental right to fair expression and a proportionate attempt to pursue their aim. My view—and I fear that this may well be happen if the clause is passed unamended—is that the European court will not find that to be the case, so I urge the Minister to clarify the thinking behind the provision.

I urge the Committee to support my amendments, as we must make sure that we protect freedom of speech. We should recognise that the Government have a legitimate aim, but it must be balanced by other rights. The amendments achieve that, but the clause does not.

Several hon. Members *rose—*

The Temporary Chairman: Order. I intend to call the Minister to make her winding-up speech at about 3.10 pm. Three experienced Members are seeking to catch my eye. I shall say no more than that, and leave decisions to them.

Frank Dobson (Holborn and St. Pancras) (Lab): I speak as the Member for Holborn and St. Pancras, where two of the four outrages on 7 July took place. I am proud to represent a substantial number of the emergency personnel who worked so hard in desperate difficulties that day.

For me, as for everyone in the Chamber, it is not a question of whether we try to counter terrorism but of how best we try to do so. It is worth remembering that no mature democracy has ever been overthrown by terrorism—not a single one. The misguided individuals directly involved in terrorism may believe that they can achieve that, but the people behind them, who want to cause us to bring our institutions into disrepute, do not. One of our great claims is that, broadly speaking, we have an open society in which people can say what they think. Rightly, we have constraints on that, and incitement to violence by word of mouth or by written material is already an offence. There is therefore no need to introduce an additional clause. It is unnecessary, but if it were introduced it would be exploited by the people behind the terrorists, to illustrate that we are a set of canting hypocrites whose laws are not even-handed and involve double standards in their application.

3 pm

We must remember that if we want to make sure that we minimise the possible sympathisers with terrorists currently in our country, we must convince those people that they are full-blown British citizens with the same rights as everyone else, and that they are not likely to be discriminated against by the police, through the laws or in any other way. If we pass the clause as drafted, we will be doing just that and doing what the enemies of our decent standards want us to do.

As a member of the anti-apartheid movement all my adult life, I contributed money, organised meetings and went on marches. I am proud to say that when I was in South Africa a few years ago and somebody attempted to introduce me to a member of President Mandela's first Cabinet, they responded, "It's all right—I know Frank. I slept on his floor when I was in exile." I would have been caught by the new law. If I were caught by the law for supporting the anti-apartheid movement in South Africa, it would be a very bad law.

Mr. William Cash (Stone) (Con): The case has been made from all parts of the Committee that the glorification provision should be eliminated from the Bill. Little more needs to be said, save that what was left in the Bill if it were taken out would provide a reasonable basis on which prosecutions could take place. By keeping glorification in the Bill, we merely make the provisions of clause 1 indefensible.

There is another issue, which I touched on in relation to the Catholic martyrs of the 16th century. In the context of Islamic fundamentalism, there is the question of glorification, its relationship to martyrdom and the connection between Islam and politics. As Gandhi once said, those who do not understand the connection between religion and politics do not understand what religion is all about. In relation to the criminal law of terrorism, it is extremely dangerous for us to get into the difficulties inherent in mixing up the glorification of acts that are themselves connected with a religious view of life.

I refer to one or two cases in which the argument for removing the glorification provision is well made. In the trial of Tom Paine for publication of "Rights of Man" in 1792 and ever since then, English law has never penalised those who praised conduct that would be described as deplorable. Instead, we have convicted those whose language, by intention or foreseeable effect, leads to the commission of violence or disorder.

That principle was applied in the case of Rex *v.* Caunt in 1947 in a decision by Mr. Justice Birkett. In that case, the editor of a local Morecambe newspaper was prosecuted for seditious libel, alleged to have been committed when he published an anti-Semitic article after the public hanging in Palestine of two young British sergeants. In many respects the article was no less provocative than some of the broadcasts that we have heard recently on the BBC and other channels, but Mr. Justice Birkett advised the jury that they could not return a verdict of guilty on the ground that the editor's intention was to provoke merely hostility or ill-will between Jews and non-Jews—more was required. Mr. Justice Birkett said that

"sedition has always had implicit in the word public disorder, tumult, insurrections or matters of that kind".

The gentleman in question was acquitted when the jury returned a verdict of not guilty.

The principle that Mr. Justice Birkett applied was sound. If we include the glorification provision, we will create a new crime of uncertain definition, which will be thoroughly counter-productive.

Mr. Hogg: I know you want me to be brief, Mr. Forth, and I will be. In any event, I had the good fortune to speak in the Second Reading debate.

I find myself in total agreement with the right hon. Member for Holborn and St. Pancras (Frank Dobson). His criticisms of the Bill, and especially of the clause, are shared widely among hon. Members. I suspect that the Government will be alarmed by the fact that in this afternoon's debate not one voice has been raised in favour of the Government's position.

The right hon. Member for Southampton, Itchen (Mr. Denham) posed the right questions for the Committee to address: first, is the threshold of the Bill too low; secondly, is the definition of terrorism too broad; and, thirdly, will it prevent anybody from being drawn into terrorism? When we consider the amendments, we should address precisely those questions. I share the right hon. Gentleman's view, so I support the amendments tabled by the hon. and learned Member for Medway (Mr. Marshall-Andrews) and by my hon. Friend the Member for Beaconsfield (Mr. Grieve).

As for whether the threshold is too low, I say it is manifestly so. There ought to be the specific intent referred to by the hon. and learned Member for Medway. The glorification clause set out in subsection (2) should be struck out because it goes far, far too wide and would penalise many statements made by hon. Members over many years in many different circumstances.

I am well aware that we will address the second question—the broadness of the definition—in some detail tomorrow. Suffice it to say that I find it extraordinary that we are not making allowance for acts that many people would characterise as those of freedom fighters. It is bizarre, as I observed to the hon. Member for Nottingham, South (Alan Simpson), that it is legitimate for the Government to go to war against Iraq to procure regime change, yet if we had urged the citizens of Iraq—as we did, incidentally, in the first Gulf war—to rise up against the regime of Saddam Hussein, we would have been committing an offence under the Bill.

My final point addresses the last point made by the right hon. Member for Southampton, Itchen: will the Bill prevent anybody from being drawn into terrorism? I believe not, because I think it will create martyrs. However, we must consider the proportionality of the response. If a catch-all provision of the kind contemplated in clause 1 and in particular in subsection (2) also renders unlawful many acts that in all conscience should never be treated as unlawful, even if it did prevent one person from being drawn into terrorism, it would be wrong.

Even if it is true, as I acknowledge, that the filter of the Director of Public Prosecutions and the Attorney-General is available in appropriate cases—which will prevent prosecutions in the majority of cases, as I said before—nevertheless, the fear of prosecution will be a real check on free speech. Societies that undermine free speech are beginning to destroy the process by which they remain democratic. We go down that road at our peril.

Hazel Blears: I have listened carefully to all the contributions to this afternoon's debate, which has been fascinating, although we strayed into existential philosophy at one point. I will do my best to answer the serious points about the threshold, the requirements for offences and the safeguards to protect people from inappropriate prosecutions.

I want to discuss the framing of clause 1. In framing the Bill, we have been very conscious of our obligation to our partners in the Council of Europe. In order to ratify the Council of Europe convention on the prevention of terrorism, we must create an offence of incitement to terrorism, whether direct or indirect. Several hon. Members, including the hon. Member for Meirionnydd Nant Conwy (Mr. Llwyd) and the right hon. and learned Member for Rushcliffe (Mr. Clarke), have said that existing laws are sufficient because we have sufficient powers on the statute book to achieve our objective. There is an offence of directly inciting people to murder, but there is no offence of directly inciting people to terrorist acts. In other words, there is an offence of direct incitement to get someone to do a specific thing, but we do not have an indirect incitement offence, and in order to ratify the Council of Europe convention, we must introduce one.

I am pleased that the hon. Member for Beaconsfield (Mr. Grieve) has said that he supports indirect incitement becoming a criminal offence. Opposition Members are clearly divided on the matter, as are hon. Members on both sides of the Committee. Some hon. Members genuinely think that we should have on the statute book an offence of indirect incitement in accordance with our convention obligations and our international obligations—in those terms, it would be an offence of public provocation, and in terms of the UN Security Council resolution, it would be an offence of glorification. To those hon. Members who do not believe that we need an offence of indirect incitement, I say that the Government believe that such an offence is necessary. We will discuss glorification, but we must have an offence of indirect incitement.

Mr. Shepherd: What about the question of intent, which was raised on Second Reading as well as today? The Government ignore that part of the convention.

Hazel Blears: I shall deal with that issue in detail and hope to convince hon. Members that it is a matter not of ignoring the convention, but trying to get a practical law that actually works. I am interested in the matter, despite our forays into existential philosophy.

Mr. Boris Johnson (Henley) (Con) *rose—*

Hazel Blears: I will give way to the hon. Gentleman, but I am disappointed that he has not been in Committee for the whole debate. Today, we have had a really good argument, which I have followed from the beginning. It is important to develop arguments in Committee, so I will be disappointed if he does not make a serious point.

Mr. Johnson: The Minister is most unfair, because I have sat through 95 per cent. of this afternoon's proceedings. I may have been inconspicuous. If what Cherie Blair said would not be criminalised under clause 1, will the Minister provide a single, concrete example of indirect incitement to terrorism that would be criminalised and that would not be caught by existing statute?

Hazel Blears: The hon. Gentleman is a very conspicuous character, so if he had been in Committee for 95 per cent. of the debate, I would have noticed. I will come to the comments that have been made about various people's statements—for example, my hon. and learned Friend the Member for Medway (Mr. Marshall-Andrews) raised that very issue. It is invidious for Ministers to stand at the Dispatch Box and say what is criminal and what is not, because those are matters for the courts to decide.

There are very serious concerns whether people can say, "Wasn't it fantastic what happened on 7 July?", knowing or believing that the people to whom they are speaking will be encouraged to emulate that behaviour. That is the territory in which we find ourselves, and the issue is very serious. Some of the fanciful suggestions that we have heard this afternoon have not helped to advance the argument.

It is already an offence directly to incite a person to commit a specific act of terrorism. What is not an offence is to incite people to engage in terrorist activities generally or to incite them obliquely by creating a climate in which they may come to believe that terrorist acts are acceptable, and we are trying to close that gap. I take the point made by my right hon. Friend the Member for Southampton, Itchen (Mr. Denham) that we must get our legislation into such a shape that we can target particular kinds of mischief. I shall address some of his serious points about intention and the threshold, because I am interested in introducing practical, effective and workable legislation that protects the citizens of this country, and I know that he shares my aim.

3.15 pm

The hon. Member for Buckingham (John Bercow) raised the question of the difference between freedom fighters and terrorists several times on Second Reading, and I know that he feels strongly about the matter. I am genuinely surprised that he has not tabled an amendment seeking to define "freedom fighter", although he may find it difficult to construct such a formulation. It is too late for him to table an amendment, but no doubt he will participate in tomorrow's debate on the definition of terrorism.

John Bercow *indicated assent.*

Hazel Blears: It is difficult to draw the line on what people may or may not do. Nothing in the Bill will prevent people from holding, expressing or disseminating the view that using violence for political ends is legitimate in certain regimes. I have some difficulty with that argument, because I think it wrong to encourage people to kill and murder others in such circumstances. The Bill will not affect the ability to say that people who are fighting oppression should be supported. It will prevent people saying such things, when they know, believe or have reasonable grounds for believing that the people to whom they are speaking are likely to see such remarks as an inducement or encouragement to emulate that behaviour. The legislation is precise, and it is targeted at people who know that when they say such things, they might not incite people to a specific terrorist act, but they are creating a climate in which resorting to terrorism is seen as a valid response. The definition in clause 1 is tight.

Mr. Adrian Bailey (West Bromwich, West) (Lab/Co-op): We have heard some examples today where it was implied that somebody expressing sympathy and understanding for how somebody becomes a terrorist would be caught in the same way as somebody who glorifies and extols terrorism and who incites people to become terrorists. There is a substantive difference between those two approaches. Does the Minister think that the Bill encapsulates that difference?

Hazel Blears: We have heard some fanciful suggestions this afternoon—historians writing about the 19th-century struggle in Ireland, those who celebrate the Easter rising and African scholars who write about the Mau Mau in Kenya. I say to the hon. Members who have raised those issues that the Bill does not cover such areas. We are discussing people who make statements knowing or believing that the people to whom they are speaking want to emulate terrorist acts.

Mr. Grieve *rose—*

Hazel Blears: I will not give way to the hon. Gentleman, who will have the opportunity to wind up the debate.

Richard Burden (Birmingham, Northfield) (Lab): If my right hon. Friend thinks that there is an easy distinction to be drawn in the manner suggested by my hon. Friend the Member for West Bromwich, West (Mr. Bailey), will she take her mind back to what was referred to on Second Reading as the Jenny Tonge test, which she said would not be caught by this Bill? I took the liberty of looking at the BBC website reports around the time that that was said, and it had 12 pages of people suggesting that that was an encouragement to terrorism. There was also a Member of this House—I will not name the person—

The Temporary Chairman: Order. Interventions must be brief. Will the hon. Gentleman come very quickly to his point?

Richard Burden: I will not name the Member because she is not here. She said:

"It recognises that her statement was irresponsible and gave the green light to terrorism."

Does not that show that there is no easy distinction to be drawn, which is why the clause is so dangerous?

Hazel Blears: I do not accept what my hon. Friend says.

Let me turn the safeguards in the Bill.

Mr. Llwyd *rose—*

Hazel Blears: I will not give way to the hon. Gentleman.

I want to deal with the points made by my hon. and learned Friend the Member for Medway.

Mr. Llwyd: On a point of order, Mr. Forth. I believe that the Minister, whether intentionally or not, has misled the Committee.

The Temporary Chairman: Order. The hon. Gentleman must not use that word: I ask him to withdraw it immediately.

Mr. Llwyd: The Minister has given the wrong impression of the offence in clause 1. She said that the offence was committed if the person "knows or believes" that what he or she is saying would incite, but she does not refer to the lesser test, "has reasonable grounds for believing."

The Temporary Chairman: That is patently not a point of order, but the hon. Gentleman got it in.

Hazel Blears: In everything that I have said so far I have referred to "knows or believes" or "has reasonable grounds for believing." If I did not do so at that particular point, it is not because I was seeking to ignore that provision.

My hon. and learned Friend the Member for Medway asked whether the statement by Cherie Blair would fall into that category. There are six tests: first, whether somebody knew or believed, or had reasonable grounds for believing; secondly, the likely effect; thirdly, the context under subsection (3); fourthly, whether there is a reasonable prospect of conviction; fifthly, whether it is in the public interest; and sixthly, whether the director of public prosecutions gives his consent. Those are six safeguards, or hurdles, to try to ensure that we are absolutely targeted at the mischief that we are dealing with. Several hon. Members said that I seek to rely only on the consent of the DPP, but clearly I do not. A range of safeguards and requirements need to be fulfilled in order for the offence to be completed.

John Bercow: The atmosphere must have somehow spoiled the right hon. Lady's judgment. Although I do not take it too personally, she upbraids me for failing to table an amendment on the distinction between a freedom fighter and a terrorist. First, I am content with the very well crafted amendment No. 69 to clause 20, tabled in the name of the right hon. Member for Southampton, Itchen (Mr. Denham), the Chairman of the Home Affairs Committee and, secondly, I identify myself with the sentiments expressed in amendment No. 75 to clause 33. Why does the Minister think that there is something wrong about approving of, or providing succour to, those who favour violent action against an illegitimate state rather than against civilians?

Hazel Blears: I do not accept that the matter is as clear-cut as the hon. Gentleman would like to portray it. He will know that if people seek to attack the apparatus of the state, they could well injure innocent civilians in the neighbourhood. If someone attacked a state railway, an innocent person could be involved. From day one, he has sought to portray this as black and white, with very clear distinctions. This is complex legislation in which we are trying to ensure that we deal with complex situations. I respect the hon. Gentleman, who holds these views very strongly, but he will understand that complexity. Simply to say, "Freedom fighter or terrorist?" is an over-simplification of the complex international issues that we find ourselves having to deal with in this modern world, with the modern version of terrorism that we are seeking to combat.

Mr. Kenneth Clarke: The Minister is as close we have got so far to an explanation of why the Cherie Blair remark would not be caught by the Bill. I should make it clear that I am not singling out the Prime Minister's wife. I do not agree with her sentiments, but I would strongly defend her freedom to utter them. The Minister rattled through, perfectly accurately, the six tests that have to be satisfied. Can she indicate which of those would be failed for the purposes of prosecuting the Prime Minister's wife? The Cherie Blair remark seems to satisfy the tests that she trotted off.

Hazel Blears: Not at all. I do not propose to repeat myself; I have enough points to make already. I am surprised that the right hon. and learned Gentleman is at variance with his own Front Benchers, in that he does not support the offence of indirect incitement that they have said would be a useful addition to our law to catch people who make such statements.

John Bercow *rose—*

Mr. Boris Johnson: Will the Minister give way?

Hazel Blears: No, because I want to talk about intent.

Clause 1 provides in essence that encouragement is committed if a person makes a statement to people who are likely to understand it as an inducement to carry out terrorist acts. A person does that, first, if he knows or believes that the effects of his remarks on his audience are likely to be that they will understand them in that way. I do not think that anybody could object to that; indeed, I do not think that Opposition Front Benchers object to it. I would say to the hon. Member for Beaconsfield that the phraseology, "knows or believes", embraces the concept of recklessness that features in amendments Nos. 79, 2 and 6. That is absolutely right, because the law on recklessness was reviewed in the case of R *v.* G last year. There is now a subjective test of whether the defendant knew of the risk and, if he did, nonetheless unreasonably took it. The point about recklessness is covered in the legislation.

Amendment No. 20, which was tabled by the Liberal Democrats, covers similar ground. I hope that they will withdraw it.

The second set of circumstances in which a person can commit the offence—this is subject to more debate—is where he has reasonable grounds for believing that the effect of his remarks on his audience is likely to be that they will understand them as an encouragement to commit acts of terrorism. That imports an objective test

[Hazel Blears]

of his belief. From what Members have said, one could think that this is a completely novel formulation in this Bill, but it is not. In fact, a change was recently introduced in the offence of rape whereby there is an objective assessment of somebody's belief. The person is no longer able to say, "I believed there was consent"; the test is whether he had reasonable grounds for believing in that consent. That is an objective test. There is also precedent in relation to money laundering offences in the Proceeds of Crime Act 2002. Such tests have been introduced in various areas.

I point out to my right hon. Friend the Member for Southampton, Itchen and other Members that I know that there is concern about including intent in the convention offences, and recklessness—it is right to include that and it has support—as well as whether we move further, to the possibility of negligence and whether the offence could be carelessly committed. Some of those points have legitimacy and I want to look at them carefully, but I want an offence where we can prosecute people who create a climate within which people feel that terrorist action is a valid response to their concerns.

I want to look carefully at those points but I am absolutely determined that we ensure that we have an offence on which we can prosecute. For too long, we have not had such provisions on our statute book, which has meant that people can get away with saying the kind of things that we have all heard, and which concern our constituents, without our being able to prosecute.

Mr. Grieve: It took a moment to follow the Minister's argument but, if I understand her, she is conceding that, as drafted, the offence goes beyond recklessness and could be committed negligently. I should be grateful if she would confirm that, as it heightens and crystallises my anxieties about the measure.

Hazel Blears: I am not prepared to say that I think that it goes as far as negligently. It includes recklessness, and clearly includes intent. The provision also includes the objective assessment of "reasonable grounds" for belief, which has precedents in our sexual offences law and other laws, so the formulation is not novel in those terms. I shall not say that it goes as far as negligently but I am prepared to say, especially to my right hon. Friend the Member for Southampton, Itchen, that there are legitimate concerns and I shall continue to discuss the issue with him and people who share those concerns.

Mr. Denham: My right hon. Friend is possibly aware that I had been contemplating voting against the Government for only the second time in 13 years, so I am grateful for the indication that she is, if I understand her, willing to look again at the wording of the clause. That is welcome, but I must tell her in all seriousness that if Members who follow her lead on that today find that we are confronted with exactly the same wording on Report it would be a somewhat unsatisfactory outcome, given what she has just said.

3.30 pm

Hazel Blears: I entirely take my right hon. Friend's point. That is not my intention. My intention is to engage constructively and in a proper fashion on those issues.

Mr. Marshall-Andrews: Will my right hon. Friend give way?

Hazel Blears: I have very little time and I want to turn to the amendments proposed by the hon. Member for Oxford, West and Abingdon (Dr. Harris) and his suggestion that there should be an extra requirement that something that caused a danger that a terrorist act or a convention offence would be committed should be an offence. That would place an impossible burden on the prosecution, as it would have to show that a real danger that a terrorist act would be carried out had been caused. That relates to the audience; we should be aiming our legislation at the person making the statements, not at the audience. I ask him to think carefully about that as the amendment would impose a burden.

Mr. Marshall-Andrews: Will the Minister give way?

Hazel Blears: No, I want to make my final point.

The right hon. and learned Member for Rushcliffe said that the clause was absurd and ridiculous. Lord Carlile, the independent reviewer of the legislation, said:

> "In my view this proposal in its revised form is a proportionate response to the real and present danger of young radically minded people being persuaded towards terrorism by apparently authoritative tracts wrapped in a religious or quasi-religious context."

The provision is neither absurd nor ridiculous; it is a genuine attempt to deal with a real mischief in our communities.

Mr. Grieve: The debate has indeed been fascinating, but the Minister seemed to illustrate the muddled thinking from which the Government are suffering when it crystallised around what a freedom fighter and a terrorist might be. The description that she provided for the Committee was that if an Iraqi had stood up at a public meeting in the middle of the 1990s, or indeed in 1998, and said that conditions in Iraq were such that the violent overthrow of Saddam Hussein was necessary and that people should take active steps towards it—a policy that at the time was at least tacitly supported by the Labour Government of the late 1990s, when some military action was being taken against the Iraqis by the use of air strikes—that person would now be committing a criminal offence. That may be a new Blairite doctrine. I do not know, because the Prime Minister has said on several occasions that the rules of the game have changed. However, if that is the case, we need a proper debate about it, because the Government are introducing that offence by the back door.

I appreciate that we shall have an opportunity tomorrow to consider definitions of terrorism, but at present terrorism is undefined, except by our domestic circumstance, and the Government, by passing the Bill and clause 1, will without the slightest doubt criminalise those who even negligently call for action to be taken in

such circumstances. We can see that from the debate. For the Minister to come to the Committee and ask us to approve that is breathtaking.

We said at the outset that we want to work constructively with the Government, but we are in Committee and, apart from Report, this is our last opportunity to do something about clause 1.

I am glad that the Minister said that she will consider the problem of the wording of clause 1 and whether the negligence extension is justified. However, she has known about Members' anxieties for some time, yet no concrete proposals have been presented to us this afternoon to solve or remedy the problem. That makes my life—and that of any hon. Member who wants to provide some broad support for the Government's aims but is anxious about the detail—difficult. Those points were well made in the debate by my right hon. and learned Friend the Member for Rushcliffe (Mr. Clarke) and my hon. Friend the Member for Wellingborough (Mr. Bone). As the right hon. Member for Southampton, Itchen (Mr. Denham) said, if we get it wrong, we will make things worse.

I listened carefully to the comments of the right hon. Member for Southampton, Itchen in a debate on terrorism and community cohesion in Westminster Hall last week. From my experience of contact with the Muslim community in Britain, I agreed with almost everything he said. It is worrying that, at this stage of our proceedings, the problem remains and the clause is so poorly drafted.

If the Minister intends to make a concession, why cannot she accept amendment No. 79? It takes the first necessary step. Two more steps are needed—one relates to terrorism and the other to glorification—to make the Bill workable and fair. We need a tight recklessness test on specific intent, not the existing loose, opaque and wide-ranging catch-all provision. I regret that it has taken a long debate to extract from the Government just how wide-ranging the clause is intended to be. Any hon. Member who is considering what to do this afternoon should bear it in mind that clause 1 criminalises negligence. On the whole, we are reluctant to do that in this country.

I am sorry to tell the Minister that I shall seek to press amendment No. 79 to a vote. I invite all hon. Members who are worried about the wording to join me in trying to get it improved. No one can claim that amendment No. 79 would wreck the Bill—it would do no such thing. It leaves clause 1 in a perfectly workable condition but makes it clear that the offence of encouragement cannot be committed by negligence.

The other matters that we have considered include the provisions relating to glorification. The Minister has not provided a single justification for keeping those provisions in the Bill. As was rightly said in the debate, the concept of glorification is alien to our legal system. Why retain it when it will cause the endless problems that the right hon. Member for Southampton, Itchen highlighted? It could easily be removed, leaving a perfectly workable clause. Again, nobody can claim that we would wreck the clause. I therefore hope that, after we have voted on amendment No. 79, we will have the opportunity to vote on amendment No. 4, which would ensure the removal of the subsection relating to glorification.

I am conscious that the hon. and learned Member for Medway (Mr. Marshall-Andrews) has also tabled well-reasoned amendments, which he presented with his usual cogency, that seek to restrict the operation and scope of the Bill. On that basis, if we are unsuccessful on amendment No. 79, I shall have no hesitation in supporting the hon. and learned Gentleman if he chooses to move amendments Nos. 21 or 22, although I suspect that he will not be allowed to move both of them. Their purpose is to restrict the offence to one of specific intent only. I would much prefer to see the Bill in that shape at the end of this afternoon than in the incoherent and, frankly, frightening shape in which the Government have left it.

The Minister and I agree that the basic intention behind the Bill is to ensure that terrorism is curbed, and that those who might be encouraged to engage in it should be discouraged from doing so. However, as the Minister knows from other debates that we have had on these issues, the best way of doing that is to persuade the communities from which terrorists are drawn that they should not succumb to their blandishments, and that it is better to achieve that by voluntary means than by coercion. Clause 1 has a coercive quality, particularly in relation to glorification, that goes well beyond the point to which it should go. For those reasons, I urge the Government to think again on this matter. If they do not, they will find themselves being increasingly obstructed as the Bill progresses. If they would only listen, we could make some progress.

It being three hours after the commencement of proceedings in Committee, THE CHAIRMAN, *put forthwith the Question already proposed from the Chair, pursuant to Order [26 October].*

The House divided: Ayes 277, Noes 307.

Division No. 73] **[3.41 pm**

AYES

Afriyie, Adam
Ainsworth, Mr. Peter
Alexander, Danny
Amess, Mr. David
Arbuthnot, rh Mr. James
Bacon, Mr. Richard
Baker, Norman
Baldry, Tony
Barker, Gregory
Baron, Mr. John
Barrett, John
Bellingham, Mr. Henry
Benyon, Mr. Richard
Bercow, John
Beresford, Sir Paul
Bone, Mr. Peter
Boswell, Mr. Tim
Bottomley, Peter
Brady, Mr. Graham
Brake, Tom
Brazier, Mr. Julian
Breed, Mr. Colin
Brokenshire, James
Brooke, Annette
Browne, Mr. Jeremy
Browning, Angela
Bruce, Malcolm
Burrowes, Mr. David
Burstow, Mr. Paul
Burt, Alistair
Burt, Lorely
Butterfill, Sir John
Cable, Dr. Vincent
Cameron, Mr. David
Campbell, Mr. Gregory
Campbell, rh Sir Menzies
Carmichael, Mr. Alistair
Carswell, Mr. Douglas
Cash, Mr. William
Chope, Mr. Christopher
Clapham, Mr. Michael
Clappison, Mr. James
Clark, Greg
Clarke, rh Mr. Kenneth
Clegg, Mr. Nick
Clifton-Brown, Mr. Geoffrey
Conway, Derek
Corbyn, Jeremy
Cormack, Sir Patrick
Cox, Mr. Geoffrey
Crabb, Mr. Stephen
Curry, rh Mr. David
Davey, Mr. Edward
Davies, David T.C. *(Monmouth)*
Davies, Philip
Davies, Mr. Quentin
Davis, rh David *(Haltemprice and Howden)*
Djanogly, Mr. Jonathan
Dodds, Mr. Nigel
Donaldson, Mr. Jeffrey M.
Dorrell, rh Mr. Stephen

Dorries, Mrs. Nadine
Duddridge, James
Duncan, Mr. Alan
Duncan Smith, rh Mr. Iain
Dunne, Mr. Philip
Evans, Mr. Nigel
Evennett, Mr. David
Fabricant, Michael
Fallon, Mr. Michael
Farron, Tim
Featherstone, Lynne
Field, Mr. Mark
Fisher, Mark
Foster, Mr. Don
Fox, Dr. Liam
Francois, Mr. Mark
Fraser, Mr. Christopher
Gale, Mr. Roger
Garnier, Mr. Edward
Gauke, Mr. David
George, Andrew
Gibb, Mr. Nick
Gibson, Dr. Ian
Gidley, Sandra
Gillan, Mrs. Cheryl
Goldsworthy, Julia
Goodman, Mr. Paul
Goodwill, Mr. Robert
Gove, Michael
Gray, Mr. James
Green, Damian
Greening, Justine
Greenway, Mr. John
Grieve, Mr. Dominic
Gummer, rh Mr. John
Hague, rh Mr. William
Hammond, Mr. Philip
Hammond, Stephen
Hancock, Mr. Mike
Hands, Mr. Greg
Harper, Mr. Mark
Harris, Dr. Evan
Harvey, Nick
Hayes, Mr. John
Heald, Mr. Oliver
Heath, Mr. David
Heathcoat-Amory, rh Mr. David
Hemming, John
Hendry, Charles
Herbert, Nick
Hermon, Lady
Hoban, Mr. Mark
Hoey, Kate
Hogg, rh Mr. Douglas
Hollobone, Mr. Philip
Holloway, Mr. Adam
Holmes, Paul
Hopkins, Kelvin
Horam, Mr. John
Horwood, Martin
Hosie, Stewart
Howard, rh Mr. Michael
Howarth, David
Howarth, Mr. Gerald
Hughes, Simon
Huhne, Chris
Hunt, Mr. Jeremy
Hunter, Mark
Hurd, Mr. Nick
Jack, rh Mr. Michael
Jackson, Glenda
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Johnson, Mr. Boris
Jones, Mr. David
Jones, Lynne
Kawczynski, Daniel
Keetch, Mr. Paul
Kennedy, rh Mr. Charles
Key, Robert
Kirkbride, Miss Julie
Knight, rh Mr. Greg
Kramer, Susan
Laing, Mrs. Eleanor
Lait, Mrs. Jacqui
Lamb, Norman
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Law, Peter
Laws, Mr. David
Leech, Mr. John
Leigh, Mr. Edward
Letwin, rh Mr. Oliver
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Lilley, rh Mr. Peter
Llwyd, Mr. Elfyn
Loughton, Tim
Luff, Peter
Mackay, rh Mr. Andrew
Maclean, rh David
MacNeil, Mr. Angus
Main, Anne
Malins, Mr. Humfrey
Maples, Mr. John
Marshall-Andrews, Mr. Robert
Mates, rh Mr. Michael
Maude, rh Mr. Francis
May, rh Mrs. Theresa
McCrea, Dr. William
McDonnell, John
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Mercer, Patrick
Miller, Mrs. Maria
Milton, Anne
Mitchell, Mr. Andrew
Moore, Mr. Michael
Moss, Mr. Malcolm
Mulholland, Greg
Mundell, David
Murrison, Dr. Andrew
Newmark, Mr. Brooks
O'Brien, Mr. Stephen
Osten, Mr. Mark
Öpik, Lembit
Osborne, Mr. George
Ottaway, Richard
Paice, Mr. James
Paisley, Rev. Ian
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Pickles, Mr. Eric
Prentice, Mr. Gordon
Price, Adam
Prisk, Mr. Mark
Pritchard, Mark
Randall, Mr. John
Redwood, rh Mr. John
Reid, Mr. Alan
Rifkind, rh Sir Malcolm
Robathan, Mr. Andrew
Robertson, Angus
Robertson, Hugh
Robertson, Mr. Laurence
Robinson, Mrs. Iris
Robinson, Mr. Peter
Rogerson, Mr. Dan
Rosindell, Andrew
Rowen, Paul
Russell, Bob
Salmond, Mr. Alex
Sanders, Mr. Adrian
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Shepherd, Mr. Richard
Short, rh Clare
Simmonds, Mark
Simpson, Alan
Simpson, David
Simpson, Mr. Keith
Smith, Sir Robert
Spelman, Mrs. Caroline
Spicer, Sir Michael
Spink, Bob
Spring, Mr. Richard
Stanley, rh Sir John
Steen, Mr. Anthony
Streeter, Mr. Gary
Stuart, Mr. Graham
Stunell, Andrew
Swayne, Mr. Desmond
Swinson, Jo
Swire, Mr. Hugo
Syms, Mr. Robert
Tapsell, Sir Peter
Taylor, Mr. Ian
Taylor, Matthew
Taylor, Dr. Richard
Teather, Sarah
Thurso, John
Tredinnick, David
Turner, Mr. Andrew
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Vara, Mr. Shailesh
Viggers, Peter
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Walter, Mr. Robert
Wareing, Mr. Robert N.
Waterson, Mr. Nigel
Webb, Steve
Weir, Mr. Mike
Whittingdale, Mr. John
Wiggin, Bill
Willetts, Mr. David
Williams, Hywel
Williams, Mark
Williams, Mr. Roger
Williams, Stephen
Willis, Mr. Phil
Willott, Jenny
Wilshire, Mr. David
Wilson, Mr. Rob
Wilson, Sammy
Wishart, Pete
Wright, Jeremy
Yeo, Mr. Tim
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Ayes:
Mr. Crispin Blunt and
Mr. Peter Atkinson

NOES

Ainger, Nick
Ainsworth, rh Mr. Bob
Alexander, rh Mr. Douglas
Allen, Mr. Graham
Anderson, Mr. David
Anderson, Janet
Armstrong, rh Hilary
Atkins, Charlotte
Austin, Mr. Ian
Bailey, Mr. Adrian
Baird, Vera
Balls, Ed
Banks, Gordon
Barlow, Ms Celia
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Beckett, rh Margaret
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr. Joe
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blair, rh Mr. Tony
Blears, rh Hazel
Blizzard, Mr. Bob
Blunkett, rh Mr. David
Borrow, Mr. David S.
Bradshaw, Mr. Ben
Brennan, Kevin
Brown, rh Mr. Gordon
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Mr. Des
Bryant, Chris
Buck, Ms Karen
Burnham, Andy
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Cabom, rh Mr. Richard
Cairns, David
Campbell, Mr. Ronnie
Caton, Mr. Martin
Challen, Colin
Chapman, Ben
Chaytor, Mr. David
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Clelland, Mr. David
Clwyd, rh Ann
Coaker, Mr. Vernon
Coffey, Ann
Cohen, Harry
Connarty, Michael
Cooper, Rosie
Cooper, Yvette
Crausby, Mr. David
Creagh, Mary
Cruddas, Jon
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
Curtis-Thomas, Mrs. Claire
Darling, rh Mr. Alistair
David, Mr. Wayne
Davidson, Mr. Ian
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dhanda, Mr. Parmjit
Dismore, Mr. Andrew
Dobbin, Jim
Donohoe, Mr. Brian H.

Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Eagle, Angela
Eagle, Maria
Efford, Clive
Elman, Mrs. Louise
Engel, Mrs. Natascha
Ennis, Jeff
Farrelly, Paul
Field, rh Mr. Frank
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Flynn, Paul
Follett, Barbara
Foster, Mr. Michael *(Worcester)*
Foster, Michael Jabez *(Hastings and Rye)*
Francis, Dr. Hywel
Gapes, Mike
Gardiner, Barry
George, rh Mr. Bruce
Gilroy, Linda
Godsiff, Mr. Roger
Goggins, Paul
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Gwynne, Andrew
Hain, rh Mr. Peter
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. David
Hamilton, Mr. Fabian
Hanson, Mr. David
Harman, rh Ms Harriet
Harris, Mr. Tom
Havard, Mr. Dai
Healey, John
Henderson, Mr. Doug
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hood, Mr. Jimmy
Hoon, rh Mr. Geoffrey
Hope, Phil
Howarth, rh Mr. George
Howells, Dr. Kim
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Humble, Mrs. Joan
Hutton, rh Mr. John
Iddon, Dr. Brian
Illsley, Mr. Eric
Ingram, rh Mr. Adam
Irranca-Davies, Huw
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Mr. Martyn
Jowell, rh Tessa
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Kelly, rh Ruth
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, Mr. David
Laxton, Mr. Bob
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lucas, Ian
MacDougall, Mr. John
Mackinlay, Andrew
MacShane, rh Mr. Denis
Mactaggart, Fiona
Mahmood, Mr. Khalid
Malik, Mr. Shahid
Malleber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall, Mr. David
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCafferty, Chris
McCarthy, Kerry
McCarthy-Fry, Sarah
McDonagh, Siobhain
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McNulty, Mr. Tony
Merron, Gillian
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, rh Mr. David
Miliband, Edward
Miller, Andrew
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moran, Margaret
Morden, Jessica
Morgan, Julie
Morley, Mr. Elliot
Mountford, Kali
Munn, Meg
Murphy, Mr. Denis
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Naysmith, Dr. Doug
Norris, Dan
O'Brien, Mr. Mike
O'Hara, Mr. Edward
Olner, Mr. Bill
Osborne, Sandra
Owen, Albert
Palmer, Dr. Nick
Pearson, Ian
Plaskitt, Mr. James
Pope, Mr. Greg
Pound, Stephen
Prentice, Bridget
Prescott, rh Mr. John
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Mr. Ken
Purnell, James
Rammell, Bill
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Reid, rh John
Robertson, John
Robinson, Mr. Geoffrey
Rooney, Mr. Terry
Roy, Mr. Frank
Ruane, Chris
Ruddock, Joan
Russell, Christine
Ryan, Joan
Salter, Martin
Seabeck, Alison
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Simon, Mr. Siôn
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, Geraldine
Smith, rh Jacqui
Snelgrove, Anne
Soulsby, Sir Peter
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Strang, rh Dr. Gavin
Straw, rh Mr. Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari
Taylor, David
Thomas, Mr. Gareth
Thornberry, Emily
Timms, Mr. Stephen
Tipping, Paddy
Todd, Mr. Mark
Touhig, Mr. Don
Truswell, Mr. Paul
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Ussher, Kitty
Vaz, Keith
Walley, Joan
Waltho, Lynda
Ward, Claire
Watson, Mr. Tom
Watts, Mr. Dave
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Williams, Mrs. Betty
Wills, Mr. Michael
Winnick, Mr. David
Winterton, Ms Rosie
Woodward, Mr. Shaun
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek

Tellers for the Noes:
Mr. Alan Campbell and
Mr. Ian Cawsey

Question accordingly negatived.

THE CHAIRMAN *then proceeded to put the Questions necessary to dispose of the business to be concluded at that hour.*

Amendment proposed: No. 22, page 1, line 14, at end insert

'and intends that his statement shall have that effect'.—*[Mr. Marshall-Andrews.]*

Question put, That the amendment be made:—

The Committee divided: Ayes 299, Noes 300.

Division No. 74] **[3.57 pm**

AYES

Abbott, Ms Diane
Afriyie, Adam
Ainsworth, Mr. Peter
Alexander, Danny
Amess, Mr. David
Arbuthnot, rh Mr. James
Atkinson, Mr. Peter
Austin, John
Bacon, Mr. Richard
Baker, Norman
Baldry, Tony
Barker, Gregory
Baron, Mr. John
Barrett, John
Bellingham, Mr. Henry
Benyon, Mr. Richard
Bercow, John
Beresford, Sir Paul
Blunt, Mr. Crispin
Bone, Mr. Peter
Boswell, Mr. Tim
Bottomley, Peter
Brady, Mr. Graham
Brake, Tom
Brazier, Mr. Julian
Breed, Mr. Colin
Brokenshire, James
Brooke, Annette
Browne, Mr. Jeremy
Browning, Angela
Bruce, Malcolm
Burden, Richard
Burrowes, Mr. David
Burstow, Mr. Paul
Burt, Alistair
Burt, Lorely

Butterfill, Sir John
Cameron, Mr. David
Campbell, Mr. Gregory
Campbell, rh Sir Menzies
Carmichael, Mr. Alistair
Carswell, Mr. Douglas
Cash, Mr. William
Caton, Mr. Martin
Chope, Mr. Christopher
Clapham, Mr. Michael
Clappison, Mr. James
Clark, Greg
Clark, Ms Kitty
Clarke, rh Mr. Kenneth
Clegg, Mr. Nick
Clifton-Brown, Mr. Geoffrey
Cohen, Harry
Conway, Derek
Corbyn, Jeremy
Cormack, Sir Patrick
Cousins, Jim
Cox, Mr. Geoffrey
Crabb, Mr. Stephen
Cryer, Mrs. Ann
Curry, rh Mr. David
Davey, Mr. Edward
Davies, David T.C. *(Monmouth)*
Davies, Philip
Davies, Mr. Quentin
Davis, rh David *(Haltemprice and Howden)*
Djanogly, Mr. Jonathan
Dobson, rh Frank
Dodds, Mr. Nigel
Donaldson, Mr. Jeffrey M.
Dorrell, rh Mr. Stephen
Dorries, Mrs. Nadine
Duddridge, James
Duncan, Mr. Alan
Duncan Smith, rh Mr. Iain
Dunne, Mr. Philip
Dunwoody, Mrs. Gwyneth
Evans, Mr. Nigel
Evennett, Mr. David
Fabricant, Michael
Fallon, Mr. Michael
Farron, Tim
Featherstone, Lynne
Field, Mr. Mark
Fisher, Mark
Foster, Mr. Don
Fox, Dr. Liam
Francois, Mr. Mark
Fraser, Mr. Christopher
Gale, Mr. Roger
Garnier, Mr. Edward
Gauke, Mr. David
George, Andrew
Gibb, Mr. Nick
Gibson, Dr. Ian
Gidley, Sandra
Gillan, Mrs. Cheryl
Goldsworthy, Julia
Goodman, Mr. Paul
Goodwill, Mr. Robert
Gove, Michael
Gray, Mr. James
Grayling, Chris
Green, Damian
Greening, Justine
Greenway, Mr. John
Grieve, Mr. Dominic
Grogan, Mr. John
Gummer, rh Mr. John
Hague, rh Mr. William
Hammond, Mr. Philip
Hammond, Stephen
Hancock, Mr. Mike
Hands, Mr. Greg
Harper, Mr. Mark
Harris, Dr. Evan
Harvey, Nick
Hayes, Mr. John
Heald, Mr. Oliver
Heath, Mr. David
Heathcoat-Amory, rh Mr. David
Hemming, John
Hendry, Charles
Herbert, Nick
Hoban, Mr. Mark
Hoey, Kate
Hogg, rh Mr. Douglas
Hollobone, Mr. Philip
Holloway, Mr. Adam
Holmes, Paul
Horam, Mr. John
Horwood, Martin
Hosie, Stewart
Howard, rh Mr. Michael
Howarth, David
Howarth, Mr. Gerald
Hughes, Simon
Huhne, Chris
Hunt, Mr. Jeremy
Hunter, Mark
Hurd, Mr. Nick
Jack, rh Mr. Michael
Jackson, Glenda
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Johnson, Mr. Boris
Jones, Mr. David
Jones, Lynne
Kawczynski, Daniel
Keetch, Mr. Paul
Kennedy, rh Mr. Charles
Key, Robert
Kilfoyle, Mr. Peter
Kirkbride, Miss Julie
Knight, rh Mr. Greg
Kramer, Susan
Laing, Mrs. Eleanor
Lait, Mrs. Jacqui
Lamb, Norman
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Law, Peter
Laws, Mr. David
Leech, Mr. John
Leigh, Mr. Edward
Letwin, rh Mr. Oliver
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Lilley, rh Mr. Peter
Llwyd, Mr. Elfyn
Loughton, Tim
Love, Mr. Andrew
Luff, Peter
Mackay, rh Mr. Andrew
Maclean, rh David
MacNeil, Mr. Angus
Main, Anne
Malins, Mr. Humfrey
Maples, Mr. John
Marshall-Andrews, Mr. Robert
Mates, rh Mr. Michael
Maude, rh Mr. Francis
May, rh Mrs. Theresa
McCrea, Dr. William
McDonnell, Dr. Alasdair
McDonnell, John
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Meacher, rh Mr. Michael
Mercer, Patrick
Miller, Mrs. Maria
Milton, Anne
Mitchell, Mr. Andrew
Moore, Mr. Michael
Moss, Mr. Malcolm
Mudie, Mr. George
Mulholland, Greg
Mundell, David
Murrison, Dr. Andrew
Newmark, Mr. Brooks
O'Brien, Mr. Stephen
Oaten, Mr. Mark
Öpik, Lembit
Osborne, Mr. George
Ottaway, Richard
Paice, Mr. James
Paisley, Rev. Ian
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Pickles, Mr. Eric
Prentice, Mr. Gordon
Price, Adam
Prisk, Mr. Mark
Pritchard, Mark
Pugh, Dr. John
Randall, Mr. John
Redwood, rh Mr. John
Reid, Mr. Alan
Rifkind, rh Sir Malcolm
Riordan, Mrs. Linda
Robathan, Mr. Andrew
Robertson, Angus
Robertson, Hugh
Robertson, Mr. Laurence
Robinson, Mrs. Iris
Robinson, Mr. Peter
Rogerson, Mr. Dan
Rosindell, Andrew
Rowen, Paul
Russell, Bob
Salmond, Mr. Alex
Sanders, Mr. Adrian
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Shepherd, Mr. Richard
Short, rh Clare
Simmonds, Mark
Simpson, Alan
Simpson, David
Simpson, Mr. Keith
Skinner, Mr. Dennis
Smith, Sir Robert
Spelman, Mrs. Caroline
Spicer, Sir Michael
Spink, Bob
Spring, Mr. Richard
Stanley, rh Sir John
Steen, Mr. Anthony
Streeter, Mr. Gary
Stuart, Mr. Graham
Stunell, Andrew
Swayne, Mr. Desmond
Swinson, Jo
Swire, Mr. Hugo
Syms, Mr. Robert
Tapsell, Sir Peter
Taylor, David
Taylor, Mr. Ian
Taylor, Matthew
Taylor, Dr. Richard
Teather, Sarah
Thurso, John
Tredinnick, David
Trickett, Jon
Turner, Mr. Andrew
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Vara, Mr. Shailesh
Viggers, Peter
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Walter, Mr. Robert
Wareing, Mr. Robert N.
Waterson, Mr. Nigel
Webb, Steve
Weir, Mr. Mike
Whittingdale, Mr. John
Widdecombe, rh Miss Ann
Wiggin, Bill
Willetts, Mr. David
Williams, Hywel
Williams, Mark
Williams, Mr. Roger
Williams, Stephen
Willis, Mr. Phil
Willott, Jenny
Wilshire, Mr. David
Wilson, Mr. Rob
Wilson, Sammy
Wishart, Pete
Wright, Jeremy
Yeo, Mr. Tim
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Ayes:
Kelvin Hopkins and
Mr. Neil Gerrard

NOES

Ainger, Nick
Ainsworth, rh Mr. Bob
Alexander, rh Mr. Douglas
Allen, Mr. Graham
Anderson, Mr. David
Anderson, Janet
Armstrong, rh Hilary
Atkins, Charlotte
Austin, Mr. Ian
Bailey, Mr. Adrian
Baird, Vera
Balls, Ed
Banks, Gordon
Barlow, Ms Celia
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Beckett, rh Margaret
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr. Joe
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blair, rh Mr. Tony
Blears, rh Hazel
Blizzard, Mr. Bob
Blunkett, rh Mr. David
Borrow, Mr. David S.
Bradshaw, Mr. Ben

Brennan, Kevin
Brown, rh Mr. Gordon
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Mr. Des
Bryant, Chris
Buck, Ms Karen
Burnham, Andy
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Cabom, rh Mr. Richard
Cairns, David
Campbell, Mr. Ronnie
Challen, Colin
Chapman, Ben
Chaytor, Mr. David
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Clelland, Mr. David
Clwyd, rh Ann
Coaker, Mr. Vernon
Coffey, Ann
Connarty, Michael
Cooper, Rosie
Cooper, Yvette
Crausby, Mr. David
Creagh, Mary
Cruddas, Jon
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
Curtis-Thomas, Mrs. Claire
Darling, rh Mr. Alistair
David, Mr. Wayne
Davidson, Mr. Ian
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dhanda, Mr. Parmjit
Dismore, Mr. Andrew
Dobbin, Jim
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Engel, Natascha
Ennis, Jeff
Farrelly, Paul
Field, rh Mr. Frank
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Flynn, Paul
Follett, Barbara
Foster, Mr. Michael *(Worcester)*
Foster, Michael Jabez *(Hastings and Rye)*
Francis, Dr. Hywel
Gapes, Mike
Gardiner, Barry
George, rh Mr. Bruce
Gilroy, Linda
Godsiff, Mr. Roger
Goggins, Paul
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Gwynne, Andrew
Hain, rh Mr. Peter
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. David
Hamilton, Mr. Fabian
Hanson, Mr. David
Harman, rh Ms Harriet
Harris, Mr. Tom
Havard, Mr. Dai
Healey, John
Henderson, Mr. Doug
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hermon, Lady
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hood, Mr. Jimmy
Hoon, rh Mr. Geoffrey
Hope, Phil
Howarth, rh Mr. George
Howells, Dr. Kim
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Humble, Mrs. Joan
Hutton, rh Mr. John
Iddon, Dr. Brian
Illsley, Mr. Eric
Ingram, rh Mr. Adam
Irranca-Davies, Huw
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Mr. Martyn
Jowell, rh Tessa
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Kelly, rh Ruth
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, Mr. David
Laxton, Mr. Bob
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lucas, Ian
MacDougall, Mr. John
Mackinlay, Andrew
MacShane, rh Mr. Denis
Mactaggart, Fiona
Mahmood, Mr. Khalid
Malik, Mr. Shahid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall, Mr. David
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCafferty, Chris
McCarthy, Kerry
McCarthy-Fry, Sarah
McDonagh, Siobhain
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McNulty, Mr. Tony
Merron, Gillian
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, rh Mr. David
Miliband, Edward
Miller, Andrew
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moran, Margaret
Morden, Jessica
Morgan, Julie
Morley, Mr. Elliot
Mountford, Kali
Munn, Meg
Murphy, Mr. Denis
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Naysmith, Dr. Doug
Norris, Dan
O'Brien, Mr. Mike
O'Hara, Mr. Edward
Olner, Mr. Bill
Osborne, Sandra
Owen, Albert
Palmer, Dr. Nick
Pearson, Ian
Plaskitt, Mr. James
Pope, Mr. Greg
Pound, Stephen
Prentice, Bridget
Prescott, rh Mr. John
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Mr. Ken
Purnell, James
Rammell, Bill
Raynsford, rh Mr. Nick
Reed, Mr. Jamie
Reid, rh John
Robertson, John
Robinson, Mr. Geoffrey
Rooney, Mr. Terry
Roy, Mr. Frank
Ruane, Chris
Ruddock, Joan
Russell, Christine
Ryan, Joan
Salter, Martin
Seabeck, Alison
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Simon, Mr. Siôn
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, Geraldine
Smith, rh Jacqui
Snelgrove, Anne
Soulsby, Sir Peter
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Strang, rh Dr. Gavin
Straw, rh Mr. Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari
Thomas, Mr. Gareth
Thornberry, Emily
Timms, Mr. Stephen
Tipping, Paddy
Todd, Mr. Mark
Touhig, Mr. Don
Truswell, Mr. Paul
Turner, Mr. Neil
Twigg, Derek
Ussher, Kitty
Vaz, Keith
Walley, Joan
Waltho, Lynda
Ward, Claire
Watson, Mr. Tom
Watts, Mr. Dave
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Williams, Mrs. Betty
Wills, Mr. Michael
Winnick, Mr. David
Winterton, Ms Rosie
Woodward, Mr. Shaun
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wyatt, Derek

Tellers for the Noes:
Mr. Alan Campbell and Mr. Ian Cawsey

Question accordingly negatived.

Amendment proposed: No. 4, in clause 1, page 1, line 15, leave out subsection (2).—*[Mr. Grieve.]*

The Committee divided: Ayes 289, Noes 305.

Division No. 75] **[4.11 pm**

AYES

Abbott, Ms Diane
Afriyie, Adam
Ainsworth, Mr. Peter
Alexander, Danny
Amess, Mr. David
Arbuthnot, rh Mr. James
Austin, John
Bacon, Mr. Richard
Baker, Norman
Baldry, Tony
Barker, Gregory
Baron, Mr. John

Barrett, John
Bellingham, Mr. Henry
Benyon, Mr. Richard
Bercow, John
Beresford, Sir Paul
Bone, Mr. Peter
Boswell, Mr. Tim
Bottomley, Peter
Brady, Mr. Graham
Brake, Tom
Brazier, Mr. Julian
Breed, Mr. Colin
Brokenshire, James
Brooke, Annette
Browne, Mr. Jeremy
Browning, Angela
Bruce, Malcolm
Burden, Richard
Burrowes, Mr. David
Burstow, Mr. Paul
Burt, Alistair
Burt, Lorely
Butterfill, Sir John
Cable, Dr. Vincent
Cameron, Mr. David
Campbell, Mr. Gregory
Campbell, rh Sir Menzies
Carmichael, Mr. Alistair
Carswell, Mr. Douglas
Cash, Mr. William
Chope, Mr. Christopher
Clappison, Mr. James
Clark, Greg
Clark, Ms Katy
Clarke, rh Mr. Kenneth
Clegg, Mr. Nick
Clifton-Brown, Mr. Geoffrey
Conway, Derek
Corbyn, Jeremy
Cormack, Sir Patrick
Cousins, Jim
Cox, Mr. Geoffrey
Crabb, Mr. Stephen
Curry, rh Mr. David
Davey, Mr. Edward
Davies, David T.C. *(Monmouth)*
Davies, Philip
Davies, Mr. Quentin
Davis, rh David *(Haltemprice and Howden)*
Djanogly, Mr. Jonathan
Dobson, rh Frank
Dodds, Mr. Nigel
Donaldson, Mr. Jeffrey M.
Dorrell, rh Mr. Stephen
Dories, Mrs. Nadine
Duddridge, James
Duncan, Mr. Alan
Duncan Smith, rh Mr. Iain
Dunne, Mr. Philip
Dunwoody, Mrs. Gwyneth
Evans, Mr. Nigel
Evennett, Mr. David
Fabricant, Michael
Fallon, Mr. Michael
Farron, Tim
Featherstone, Lynne
Field, Mr. Mark
Fisher, Mark
Foster, Mr. Don
Fox, Dr. Liam
Francois, Mr. Mark
Fraser, Mr. Christopher
Gale, Mr. Roger
Garnier, Mr. Edward
Gauke, Mr. David
George, Andrew
Gerrard, Mr. Neil
Gibb, Mr. Nick
Gibson, Dr. Ian
Gidley, Sandra
Gillan, Mrs. Cheryl
Goldsworthy, Julia
Goodman, Mr. Paul
Goodwill, Mr. Robert
Gove, Michael
Gray, Mr. James
Grayling, Chris
Green, Damian
Greening, Justine
Greenway, Mr. John
Grieve, Mr. Dominic
Grogan, Mr. John
Gummer, rh Mr. John
Hague, rh Mr. William
Hammond, Mr. Philip
Hammond, Stephen
Hancock, Mr. Mike
Hands, Mr. Greg
Harper, Mr. Mark
Harris, Dr. Evan
Harvey, Nick
Hayes, Mr. John
Heald, Mr. Oliver
Heath, Mr. David
Heathcoat-Amory, rh Mr. David
Hemming, John
Hendry, Charles
Herbert, Nick
Hoban, Mr. Mark
Hoey, Kate
Hogg, rh Mr. Douglas
Hollobone, Mr. Philip
Holloway, Mr. Adam
Holmes, Paul
Hopkins, Kelvin
Horam, Mr. John
Horwood, Martin
Hosie, Stewart
Howard, rh Mr. Michael
Howarth, David
Howarth, Mr. Gerald
Hughes, Simon
Huhne, Chris
Hunt, Mr. Jeremy
Hunter, Mark
Hurd, Mr. Nick
Jack, rh Mr. Michael
Jackson, Glenda
Jackson, Mr. Stewart
Johnson, Mr. Boris
Jones, Mr. David
Jones, Lynne
Kawczynski, Daniel
Keetch, Mr. Paul
Kennedy, rh Mr. Charles
Key, Robert
Kilfoyle, Mr. Peter
Kirkbride, Miss Julie
Knight, rh Mr. Greg
Kramer, Susan
Laing, Mrs. Eleanor
Lait, Mrs. Jacqui
Lamb, Norman
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Law, Peter
Laws, Mr. David
Leech, Mr. John
Leigh, Mr. Edward
Letwin, rh Mr. Oliver
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Lilley, rh Mr. Peter
Llwyd, Mr. Elfyn
Loughton, Tim
Love, Mr. Andrew
Luff, Peter
Mackay, rh Mr. Andrew
Maclean, rh David
MacNeil, Mr. Angus
Main, Anne
Malins, Mr. Humfrey
Maples, Mr. John
Marshall-Andrews, Mr. Robert
Mates, rh Mr. Michael
Maude, rh Mr. Francis
May, rh Mrs. Theresa
McCrea, Dr. William
McDonnell, John
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Mercer, Patrick
Miller, Mrs. Maria
Milton, Anne
Mitchell, Mr. Andrew
Moore, Mr. Michael
Moss, Mr. Malcolm
Mudie, Mr. George
Mulholland, Greg
Mundell, David
Murrison, Dr. Andrew
Newmark, Mr. Brooks
O'Brien, Mr. Stephen
Osten, Mr. Mark
Öpik, Lembit
Osborne, Mr. George
Ottaway, Richard
Paice, Mr. James
Paisley, Rev. Ian
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Pickles, Mr. Eric
Prentice, Mr. Gordon
Price, Adam
Prisk, Mr. Mark
Pritchard, Mark
Pugh, Dr. John
Randall, Mr. John
Redwood, rh Mr. John
Reid, Mr. Alan
Riffkind, rh Sir Malcolm
Riordan, Mrs. Linda
Robathan, Mr. Andrew
Robertson, Angus
Robertson, Hugh
Robertson, Mr. Laurence
Robinson, Mrs. Iris
Robinson, Mr. Peter
Rogerson, Mr. Dan
Rosindell, Andrew
Rowen, Paul
Russell, Bob
Salmond, Mr. Alex
Sanders, Mr. Adrian
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Shepherd, Mr. Richard
Short, rh Clare
Simmonds, Mark
Simpson, Alan
Simpson, David
Simpson, Mr. Keith
Smith, Sir Robert
Spelman, Mrs. Caroline
Spicer, Sir Michael
Spink, Bob
Spring, Mr. Richard
Stanley, rh Sir John
Steen, Mr. Anthony
Streeter, Mr. Gary
Stuart, Mr. Graham
Stunell, Andrew
Swayne, Mr. Desmond
Swinson, Jo
Swire, Mr. Hugo
Syms, Mr. Robert
Tapsell, Sir Peter
Taylor, Mr. Ian
Taylor, Matthew
Taylor, Dr. Richard
Teather, Sarah
Thurso, John
Tredinnick, David
Trickett, Jon
Turner, Mr. Andrew
Tyrie, Mr. Andrew
Vara, Mr. Shailesh
Viggers, Peter
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Walter, Mr. Robert
Wareing, Mr. Robert N.
Waterson, Mr. Nigel
Webb, Steve
Weir, Mr. Mike
Whittingdale, Mr. John
Wiggin, Bill
Willetts, Mr. David
Williams, Hywel
Williams, Mark
Williams, Mr. Roger
Williams, Stephen
Willis, Mr. Phil
Willott, Jenny
Wilshire, Mr. David
Wilson, Mr. Rob
Wilson, Sammy
Wishart, Pete
Wright, Jeremy
Yeo, Mr. Tim
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Ayes:
Mr. Peter Atkinson and Mr. Crispin Blunt

NOES

Ainger, Nick
Ainsworth, rh Mr. Bob
Alexander, rh Mr. Douglas
Allen, Mr. Graham
Anderson, Mr. David
Anderson, Janet
Armstrong, rh Hilary
Atkins, Charlotte
Austin, Mr. Ian
Bailey, Mr. Adrian
Baird, Vera
Balls, Ed
Banks, Gordon
Barlow, Ms Celia
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Beckett, rh Margaret

Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr. Joe
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blair, rh Mr. Tony
Blears, rh Hazel
Blizzard, Mr. Bob
Blunkett, rh Mr. David
Borrow, Mr. David S.
Bradshaw, Mr. Ben
Brennan, Kevin
Brown, rh Mr. Gordon
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Mr. Des
Bryant, Chris
Buck, Ms Karen
Burnham, Andy
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Caborn, rh Mr. Richard
Cairns, David
Campbell, Mr. Ronnie
Caton, Mr. Martin
Challen, Colin
Chapman, Ben
Chaytor, Mr. David
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Clelland, Mr. David
Clwyd, rh Ann
Coaker, Mr. Vernon
Coffey, Ann
Connarty, Michael
Cooper, Rosie
Cooper, Yvette
Crausby, Mr. David
Creagh, Mary
Cruddas, Jon
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
Curtis-Thomas, Mrs. Claire
Darling, rh Mr. Alistair
David, Mr. Wayne
Davidson, Mr. Ian
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dhanda, Mr. Parmjit
Dismore, Mr. Andrew
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Engel, Natascha
Ennis, Jeff
Farrelly, Paul
Field, rh Mr. Frank
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Flynn, Paul
Follett, Barbara
Foster, Mr. Michael *(Worcester)*
Foster, Michael Jabez *(Hastings and Rye)*
Francis, Dr. Hywel
Gapes, Mike
Gardiner, Barry
George, rh Mr. Bruce
Gilroy, Linda
Godsiff, Mr. Roger
Goggins, Paul
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Gwynne, Andrew
Hain, rh Mr. Peter
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. David
Hamilton, Mr. Fabian
Hanson, Mr. David
Harman, rh Ms Harriet
Harris, Mr. Tom
Havard, Mr. Dai
Healey, John
Henderson, Mr. Doug
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hermon, Lady
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hood, Mr. Jimmy
Hoon, rh Mr. Geoffrey
Hope, Phil
Howarth, rh Mr. George
Howells, Dr. Kim
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Humble, Mrs. Joan
Hutton, rh Mr. John
Iddon, Dr. Brian
Illsley, Mr. Eric
Ingram, rh Mr. Adam
Irranca-Davies, Huw
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Mr. Martyn
Jowell, rh Tessa
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Kelly, rh Ruth
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, Mr. David
Laxton, Mr. Bob
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lucas, Ian
MacDougall, Mr. John
Mackinlay, Andrew
MacShane, rh Mr. Denis
Mactaggart, Fiona
Mahmood, Mr. Khalid
Malik, Mr. Shahid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall, Mr. David
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCafferty, Chris
McCarthy, Kerry
McCarthy-Fry, Sarah
McDonagh, Siobhain
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McNulty, Mr. Tony
Merron, Gillian
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, rh Mr. David
Miliband, Edward
Miller, Andrew
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moran, Margaret
Morden, Jessica
Morgan, Julie
Morley, Mr. Elliot
Mountford, Kali
Munn, Meg
Murphy, Mr. Denis
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Naysmith, Dr. Doug
Norris, Dan
O'Brien, Mr. Mike
O'Hara, Mr. Edward
Olner, Mr. Bill
Osborne, Sandra
Owen, Albert
Palmer, Dr. Nick
Pearson, Ian
Plaskitt, Mr. James
Pope, Mr. Greg
Pound, Stephen
Prentice, Bridget
Prescott, rh Mr. John
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Mr. Ken
Purnell, James
Rammell, Bill
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Reid, rh John
Robertson, John
Robinson, Mr. Geoffrey
Rooney, Mr. Terry
Roy, Mr. Frank
Ruane, Chris
Ruddock, Joan
Russell, Christine
Ryan, Joan
Salter, Martin
Seabeck, Alison
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Simon, Mr. Siôn
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, Geraldine
Smith, rh Jacqui
Snelgrove, Anne
Soulsby, Sir Peter
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Strang, rh Dr. Gavin
Straw, rh Mr. Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari
Taylor, David
Thomas, Mr. Gareth
Thornberry, Emily
Timms, Mr. Stephen
Tipping, Paddy
Todd, Mr. Mark
Touhig, Mr. Don
Truswell, Mr. Paul
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Ussher, Kitty
Vaz, Keith
Walley, Joan
Waltho, Lynda
Ward, Claire
Watson, Mr. Tom
Watts, Mr. Dave
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Williams, Mrs. Betty
Wills, Mr. Michael
Winnick, Mr. David
Winterton, Ms Rosie
Woodward, Mr. Shaun
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek

Tellers for the Noes:
Mr. Alan Campbell and Mr. Ian Cawsey

Question accordingly negatived.

Mr. Salmond: On a point of order, Mrs. Heal. Is there anything in our procedures that would allow a time-out for the Home Office and the Government Front-Bench

[Mr. Salmond]

team, and for the Home Secretary in particular to consider after that succession of votes whether he has the assent of this House to proceed with the controversial aspects of the Bill?—*[Interruption.]*

The First Deputy Chairman of Ways and Means (Sylvia Heal): Order. I am replying to a point of order and I want the hon. Member to hear the reply.

There is no need for that to happen. We will now proceed with the business as planned.

Simon Hughes (North Southwark and Bermondsey) (LD): On a point of order, Mrs. Heal. In all the time that I have been here I can never remember— *[Interruption.]*

The First Deputy Chairman: Order. I apologise to the hon. Gentleman, but I am unable to hear his point of order.

Simon Hughes: Thank you very much, Mrs. Heal. In all the time that I have been here I can never remember during votes, while sitting as the House or as a Committee, Whips standing at the doors of the Chamber to try to influence the result. Please would you—*[Interruption.]*

The First Deputy Chairman: Order. Hon. Members must come to order if I am to hear what might well be a point of order.

Simon Hughes: In the past, Whips have always been at the entrance of the Chamber, outside its confines, giving advice. Would you be kind enough, Mrs. Heal, to consult the Speaker so that we can have an authoritative ruling on whether Whips are able physically and verbally to influence or intimidate Members from within the Chamber? *[Interruption.]*

The First Deputy Chairman: Order. I have received the point of order and I have to tell the hon. Member that where Members of this House stand and position themselves is entirely up to them.

Clause 1 ordered to stand part of the Bill.

Clauses 2 to 4 ordered to stand part of the Bill.

Clause 23

EXTENSION OF PERIOD OF DETENTION BY JUDICIAL AUTHORITY

Mr. Grieve: I beg to move amendment No. 8, in page 21, line 27, leave out subsection (2).

The First Deputy Chairman: With this it will be convenient to discuss the following:

Amendment No. 9, in page 22, line 3, after 'to', insert 'a'.

Amendment No. 10, in page 22, line 7, leave out 'special' and insert 'any'.

Amendment No. 92, in page 22, line 10, at end insert

'In sub-paragraph (4) of paragraph 29, at the beginning insert "subject to sub-paragraph (3AB) of paragraph 36."'.

Amendment No. 29, in page 22, line 10, at end insert—

'(4A) In subparagraphs (1) and (5) of paragraph 36 (period for which warrants may be extended) for the words "judicial authority" substitute "High Court Judge."'.

Amendment No. 28, in page 22, line 19, leave out 'three months' and insert '28 days'.

Amendment No. 30, in page 22, line 28, leave out 'judicial authority' and insert 'High Court Judge'.

Amendment No. 31, in page 22, line 33, leave out 'judicial authority' and insert 'High Court Judge'.

Amendment No. 11, in page 22, line 33, leave out 'special' and insert 'any'.

Amendment No. 93, in page 22, line 36, at end insert—

'(3AB) where the new specified period will end more than 14 days after the relevant time

(a) judicial authority means—

(i) in England and Wales, a judge of the High Court

(ii) in Scotland, a judge of the Court of Session

(iii) in Northern Ireland, a judge of the High Court of Northern Ireland.

(b) the specified period may only be extended—

(i) pending the result of an examination or analysis which is to be or is being carried out with a view to obtaining relevant evidence

(ii) for the purpose of decryption of electronic data with a view to obtaining relevant evidence

(iii) for the purpose of obtaining relevant evidence from outside the United Kingdom or from records within the United Kingdom which can not reasonably be obtained without such an extension of the specified period.

(c) the specified period may only be extended if the judicial authority is satisfied that there is no reasonable possibility of the detainee being charged immediately with another offence relating to the terrorism or a terrorist act.

(d) the judicial authority must approve the nature of any further questioning of the detainee during the new specified period.'.

Amendment No. 32, in page 22, line 45, after 'authority', insert 'or High Court Judge'.

Amendment No. 16, in page 23, line 11, at end add—

'(8) The judicial authority for the extension of any period of detention under Schedule 8 to the Terrorism Act 2000 shall be a senior circuit judge.

(9) An appeal shall lie from any decision of the judicial authority to a judge of the High Court.'.

Amendment No. 12, in clause 24, page 23, line 19, at end insert—

'(1A) In Schedule 8 to the Terrorism Act 2000, in paragraph 23(1) (grounds on which a review officer may authorise continued detention), at end of paragraph (a) add "but after the expiry of a period of fourteen days detention no further detention shall be authorised solely to obtain evidence by questioning."'.

Amendment No. 13, in clause 24, page 23, line 28, at end insert

'but after the expiry of a period of fourteen days detention, no further detention shall be authorised solely to obtain evidence by questioning.'.

Amendment No. 17, in clause 24, page 23, line 40, at end add—

'(6) The Secretary of State shall, prior to the coming into force of sections 23 and 24, carry out a review of Code C of the Police and Criminal Evidence Act and produce a separate code to cover all detention under the Terrorism Act 2000 lasting for longer than seven days.

(7) Such code shall include provision to allow for the questioning of a terrorist suspect after charge, subject to leave being obtained from the judicial authority, and any such questioning shall be treated for all evidential purposes as if it had taken place prior to charge.'.

New clause 1—*Extension of period of detention by judicial authority: duration*—

'(1) The provisions of section 23 of this Act shall remain in force until one year after their commencement and shall then expire unless continued in force by an order under subsection (2) below.

(2) The Secretary of State may by order made by statutory instrument provide—

(a) that all or any of those provisions which are in force shall continue in force for a period not exceeding twelve months from the coming into operation of the order; or

(b) that all or any of those provisions which are for the time being in force shall cease to be in force.

(3) No order shall be made under subsection (2) above unless a draft of the order has been laid before and approved by a resolution of each House of Parliament.'.

New clause 3—*Disapplication of Human Rights Act 1998*—

'Sections 23 and 24 of this Act shall take effect notwithstanding the Human Rights Act 1998 (c. 42).'.

New clause 4—*Definition of 'judicial authority'*—

'For the purposes of sections 23 and 24 of this Act, "judicial authority" shall mean, in England, Wales and Northern Ireland, a person designated by the Lord Chancellor only where he is satisfied that the judge or magistrate in question has appropriate experience of determining terrorist cases and shall include judges of the Crown Court and High Court.'.

New clause 5—*Detention under the Terrorism Acts*—

'(1) Where under the Terrorism Act 2000, an Act amending that Act, or this Act, a person is in police detention or is otherwise detained, he shall have the right to apply for a writ of habeas corpus, or other prerogative remedy and to a fair trial in accordance with due process and the rule of law.

(2) Subsection (1) shall have effect notwithstanding the Human Rights Act 1998 (c. 42).'.

Mr. Grieve: We now have to consider clause 23 and the extension of the period of detention by judicial authority from 14 days to the Government's proposed 90 days. A large number of amendments to the Government's proposals have been tabled and I shall come to those in greater detail in a moment. However, I should like to deal first with some of the principles that are involved. As the Government acknowledge, this country has always been firm and resolute in maintaining civil liberties, none of which is more important than the expeditious charging or release of individuals who are arrested. The grounds on which someone is arrested need be no more than the reasonable suspicion that an offence has taken place and that the arrested person is connected with it. The purpose of the initial police inquiry is to ascertain whether there is evidence on which a charge can be brought. If so, thereafter, the person is in the hands of the court system as the case proceeds to trial.

4.30 pm

The Home Secretary will acknowledge that the proposals drive a coach and horses through that principle. We are not talking about 24-hour detention without charge or even the seven or 14-day detention period to which we have progressed, but a possible three-month detention—the equivalent of a six-month sentence passed after conviction. During that time, the police and prosecutors can look for evidence against the person in detention. The Government have a great deal to justify if they wish to proceed down that road. They cannot pray in aid other countries' systems to justify their proposals, which are entirely unprecedented in common law jurisdictions. In Australia, despite the terrorist threat, 24 hours remains the period for which someone can be held before charge or release. Even in countries where Ministers have suggested that arrangements are much more flexible, there is a system of inquisitorial inquiry that takes place only after the threshold for charge has been reached. In most instances, the period for which someone can be detained before charge remains extremely short. The Foreign Office has published a useful document on the subject, which I commend to all hon. Members. The present 14-day detention period in this country is at the limit of practices elsewhere, and the three-month proposal takes us outside accepted international practice.

Hon. Members should remember that, of 895 people arrested until September 2005 under terrorism legislation, only 23 have been charged. The figure may have changed in the past eight weeks, but I am not aware that it has done so. In the past, arrest was, quite understandably, regarded as something that could be used reasonably frequently because the period for which someone could be detained while initial inquiries were made was very short. Indeed, all the codes that were drawn up under the Police and Criminal Evidence Act 1984 and augmented to protect people in police detention were designed for short periods of detention, including opportunities for intensive questioning that disrupted the suspect's life and could last up to 18 hours in any day.

The Government's proposals in the Bill simply extend the period of detention to three months with a few safeguards, to which I shall return in a moment. However, they do nothing whatever to address the way in which a completely new regime of detention is to be organised. To take a practical example, very few police stations are suitable places in which to detain someone for three months—I am not even sure that Paddington Green is suitable. If we allow a detention period of up to three months, a suspect could be questioned for 18 hours a day, with the consequence that any confession or information obtained would be slung out by the judge as soon as the case came to court.

I can think of few proposals that seem to have emerged so quickly and been presented to the House with so little back-up as to how they would be implemented. The justification that the Government offer is that the Association of Chief Police Officers requested the measure. There was then the suggestion that it was supported by the security services. I noticed with great interest today that when the Prime Minister was asked about that at Prime Minister's Question Time, he told the House about the ACPO support but

[Mr. Grieve]

studiously avoided mention of any other supporting organisations, notwithstanding the fact that the Minister for Policing, Security and Community Safety had suggested earlier that such support from the security services existed. Will the Home Secretary confirm that the proposal is merely ACPO-generated?

Tony Baldry (Banbury) (Con): In relation to any operational benefit that the provision might bring the police, will that not be more than offset by alienation among the very community whose support the police need if they are to bear down on future terrorist activities?

Mr. Grieve: I agree entirely with my hon. Friend. If this proves to be a system whereby people are detained for 40, 50, 60 or 70 days and released because, unfortunately, the evidence is not there, the impact on their relatives, and from their relatives into the wider community, could not be worse in undermining respect for the rule of law. We know, because the issues that we are considering have been driven by Muslim terrorism, that one of the things that have made this country such an attractive place for people to come, settle, live, work and bring up their families is the rule of law that we have sustained. So when it is suggested that we can, in a rather cavalier fashion, breach the principles of the rule of law to allow for quite long-term detention without charge, the Committee must approach that with great caution.

Mr. David Heathcoat-Amory (Wells) (Con): Has my hon. Friend noticed that the Government constantly repeat the excuse that the police want more powers? Does he agree that the police always want more powers? That is their institutional bias, but usually the solution is not more legislation and more procedures, but better use of existing legislation and existing procedures. Will my hon. Friend ask the Government to come up with a better excuse for authoritarian measures than that the security services and the police want more powers, which we have heard before?

Mr. Grieve: I agree entirely with my right hon. Friend. The police should be listened to carefully, but the House of Commons and the Government should not give them a blank cheque. I regret to say that all my experience over the years that I have been involved in politics at local or national level suggests that we will end up with a police state—very nicely, by a series of ratchets. That is the logical consequence of such measures. *[Interruption.]* My right hon. Friend the Member for Haltemprice and Howden (David Davis) says a police state without the police. That is indeed one of the problems that we need to bear in mind. There is in many quarters a low opinion of the ability of the police to deal with certain sorts of crime, and very low levels of respect. That is allied to the perception that the police may be turning into persecutors of those who are innocent.

Mr. Bailey: As a Member with a substantial Muslim community, I have not received one submission from my local Muslim community in opposition to the clause. My experience is that the great majority of the Muslim community want a legal process that enables us to identify those who are glorifying violence and exhorting people to violence, and that will provide the evidence to put those people away. Does the hon. Gentleman agree?

Mr. Grieve: I am diversity spokesman for the Conservative party, which involves my contacting numerous Muslims both in organisations and as individuals, and that subject has frequently been raised as a source of anxiety.

Keith Vaz (Leicester, East) (Lab): I represent an inner-city constituency, which contains about 10 mosques. I have received many representations from members of the Muslim community against the proposals, which will disproportionately affect members of the Muslim community and members of the Asian community.

Mr. Grieve: I take the hon. Gentleman's point. In fairness to the hon. Member for West Bromwich, West (Mr. Bailey), it is, of course, right that the Muslim community wants to see terrorists brought to justice and removed from the communities in which they may be living. Anybody who applies their mind to the statistic that I have read out—895 arrests and 23 charges—will see that the justice and policing systems are perfectly fallible in a human way, which is inevitable. If we are sending out a message that, far from picking up terrorists, we are picking up and releasing young men who turn out to be uninvolved and that no proof can be shown against them, people will get irritated, alienated, angry and upset—the very recruiting grounds from which some of our problems of terrorism currently come.

Susan Kramer (Richmond Park) (LD): Does the hon. Gentleman agree that many members of the Muslim community—there is only one mosque in my constituency—have given up writing to Labour Members, who they know will not defend them on a fundamental civil rights principle, and are addressing their complaints and issues to Opposition Members?

Mr. Grieve: That may be the case. All I can say is that we should approach the subject with a great deal of seriousness.

Mr. Quentin Davies (Grantham and Stamford) (Con): Is there not a danger that if the police can hold a suspect for up to three months, they will feel that they have quite a lot of time and will not pursue the investigation with the urgency that they currently adopt? In some cases, an individual suspect will lose their liberty while time is wasted.

Mr. Grieve: As we know from personal experience, work expands to fill the time available, which must apply to the police. Allowing the police to hold a suspect for up to three months sends them the thoroughly undesirable message that they can be slow in their work.

As we said to the Home Secretary on Second Reading, I am mindful of the fact that problems may arise in a number of areas. Breaking encryption codes has been adduced as an example of something that may take longer than 14 days to achieve, but I am not sure

about that point, because there is a separate offence of failing to provide an encryption key. Indeed, the Bill will make that offence punishable by five years' imprisonment in a terrorist case, which we support, and it will certainly enable a holding charge to be brought if somebody does not provide the encryption key to their computer.

I want to make it clear to the Home Secretary that I am mindful of the fact that further information sometimes needs to be obtained from abroad, which can take time. One of the problems is how suddenly we have moved from 14 days in which to do such work to 90 days, which is not a slight increase.

Mr. Cash: My hon. Friend has tabled amendments Nos. 12 and 13. Amendment No. 13 states:

"but after the expiry of a period of fourteen days detention, no further detention shall be authorised solely to obtain evidence by questioning."

May I take it from that that 14 days would not be regarded as the limit in those circumstances? What limit does my hon. Friend regard as necessary to accommodate the serious points that have been made by the police, the security services and others?

Mr. Grieve: I am grateful to my hon. Friend for intervening on a point of very great importance. As drafted, the Bill simply takes the old rules and extends them, with one or two very minor adjustments, to three months. One of the grounds it gives for continuing detention beyond 14 days is the need to continue questioning a suspect. If one has not found out what one wants from a suspect in 14 days of questioning, I cannot think of a conceivable legitimate reason that, on its own, can be a ground for further detention.

4.45 pm

Of course I accept that one might want to question the suspect if new evidence has been obtained or if some new matter is to be put to him, but to say that he can be detained beyond 14 days merely for questioning strikes me as a very unpleasant concept—yet that is what would result from our passing the clause as it stands. That is why I tabled an amendment that would still allow detention—one of the safeguards that I shall discuss in a moment—but would make it clear that one of the grounds for going to a judge and saying, "We want to keep him for more than 14 days", cannot be, "We just want to keep him so that we can ask him some more questions." There must be a reason for asking those questions—for example, because fresh material has come to light.

Mr. Mark Hendrick (Preston) (Lab/Co-op): The hon. Gentleman knows that the purpose of detention is not just to question but, perhaps, to obtain evidence, or other purposes. He described it as a blank cheque, but it is not, as he well knows—the proposal is for 90 days. How would he feel as a legislator if after 40, 50 or 60 days without any evidence being found somebody was released and killed dozens of people?

Mr. Grieve: I have to accept that in this country today there are likely to be, for all I know, a large number of people who have committed undetected crime, including crime of very great seriousness. In some cases, the police may well have suspicions about such individuals, but that does not justify their arresting or charging them. The logical conclusion of the hon. Gentleman's argument is that detention without trial of those who are suspected of one misdemeanour or felony after another can be allowed.

Mr. John Gummer (Suffolk, Coastal) (Con): Does my hon. Friend agree that there is no logic in choosing 90 days that would not apply to 120 days, 360 days or permanent detention? Moreover, if the 850 people who were released after 14 days were unhappy about the inconvenience, they would be considerably more unhappy if they were in prison for 60 or 70 days, and would not the effect on community relations be very severe?

Mr. Grieve: I agree. Indeed, my right hon. Friend the Member for Haltemprice and Howden asked the Government to give examples of cases where 14 days had been insufficient, the person had been released and evidence had come to light over the following few weeks that would have justified a charge. I believe that I am right in saying that he was given just one example. One has to query on what basis the Government wish to extend the powers, and the duration for which they wish to do so.

Mr. David Heath (Somerton and Frome) (LD): I want to bring the hon. Gentleman back to his important point about encryption and section 53 of the Regulation of Investigatory Powers Act. The Bill would increase the penalty from two years to five years for offences under a section that gives the police the power to charge someone who refuses to hand over the encryption key. However, after five years that section has still not been brought into force. The Government are withholding from the police a crucial tool in their fight against terrorism, and are now asking us to increase the penalty for that offence.

Mr. Grieve: The hon. Gentleman is right. I never cease to be amazed at the number of hours that I have spent in Committee labouring over various Bills only to discover either that bits of them were never implemented or that we were amending bits that had not yet been implemented. Indeed, on one occasion, we were repealing provisions that had not been implemented. Such is the astonishing volume of business transacted by the Government that appears to have little effect, despite the amount of effort and the hours spent by Members.

Mr. Peter Robinson (Belfast, East) (DUP): Does the hon. Gentleman face the same dilemma as me? When we are dealing with legislation on terrorism, I am disposed to give the police, and indeed the Government, the benefit of the doubt, but a change from 14 to 90 days surely requires a rationale. If the only rationale is that the police are asking for the change, it is difficult for any of us to justify a move from 14 days. Do not the Government have a responsibility to show us why they require the additional time? They cannot simply say that they need more time to look at closed circuit television footage or to make inquiries abroad; they must be able to tell us why that requires 90 days rather than 30.

Mr. Grieve: I agree entirely with the hon. Gentleman, whose comments highlight the problem. I want to make it clear to the Home Secretary that the Conservatives have never said that there can be no movement from 14 days. As he can see, we have deliberately not tabled amendments suggesting other periods, as it seems to us that the first thing that the Government must do is to engage in dialogue with the Committee about why the period of 90 days has been chosen and why other possibilities, ranging from 15 days to 90, would not be equally feasible and meet their need. I am conscious that Labour Back Benchers have tabled an amendment that provides for 28 days—an interesting period, because it strikes me, from my discussions with members of the legal profession, that it is probably at the outer limit of what would currently pass scrutiny under the European convention on human rights. That is a subject to which I shall happily return.

Mr. Hogg: If by any chance the Committee were to move to 28 days, does my hon. Friend agree that revised codes would be required to ensure that questioning was not over-intrusive at the latter stage of that period?

Mr. Grieve: I agree entirely. That is included in one of my amendments.

I want to move away from the generalities and pause to consider the individual amendments so that the Committee can understand our approach.

Ian Lucas (Wrexham) (Lab): The hon. Gentleman said that he would discuss warrants for further detention, but I have listened carefully to his remarks and so far he has not done so. Does he agree that the judicial procedure for which those warrants provide is a substantial safeguard against detention for an extended period with no authority at all?

Mr. Grieve: The hon. Gentleman is right. There is a procedure, especially under clause 24, to deal with scrutiny of the grounds for continuing detention—the amendments cover clauses 23 and 24. I am pleased that the procedure is in the Bill, but I have to point out to the hon. Gentleman that similar provisions already exist. Our amendments aim to provide more safeguards in that process.

Mr. David Hamilton (Midlothian) (Lab): We do not need to look to the future to realise that the relationship between the public and the police is delicate. We only have to go back to 1984–85, a period that many Members will remember; the divisions that were caused between the police and the public in mining communities still exist today. It is extremely important that we get the measure right, as if a number of people are arrested in particular areas, with a 90-day penalty, I envisage the same divisions occurring.

Mr. Grieve: I agree that policing in this country has always been done by consent—that is the fundamental basis on which it happens. There are occasions—I acknowledge that the miners' strike was one—when the principle of consent is seriously eroded. We can argue about necessity, but I do not dispute that the miners' strike caused such an erosion, and there are plenty of other examples. It has occurred in some ethnic minority communities and it happened before the Brixton riots. One might say that that is sometimes inevitable, but one should always bear it in mind that it happens and consider the consequences. Far from making the country a safer place, it contributes to some of the problems from which we suffer. Once consent is withdrawn, policing has to become more heavy-handed, the local community participates less, general crime rates increase and communities begin to suffer badly, becoming thoroughly dysfunctional. We must have regard to that because if we do not, we simply dig a hole for ourselves.

Mr. Bailey: Again, the hon. Gentleman appears to pose a theoretical argument. The Muslim community in my constituency is most active in calling for more police in the local community—Bill or no Bill.

Mr. Grieve: The hon. Gentleman misses the point. I cannot think of any law-abiding community in this country that does not call for more police. Indeed, that reinforces the Government's signal failure to implement community policing. However, in communities where a breakdown in relations occurs between the police and the local people, more police are not requested and people complain about routine and regular police action. That has happened on numerous occasions. Frankly, if the hon. Gentleman has not witnessed it, he must live on another planet. I witnessed it when I stood as a candidate in south London in the late 1980s for a constituency that included Brixton, and I have witnessed it in my work in the past three years when I have travelled to areas where there is poverty, deprivation and large ethnic minority populations.

Mr. Bailey: Will the hon. Gentleman give way?

Mr. Grieve: No, I hope that the hon. Gentleman will excuse me.

Amendment No. 8 is a probing amendment, and is designed to discover the reason for the decision that applications for a warrant of extended detention should no longer be made only by the police but by the Crown prosecutor. The Home Secretary may have some perfectly sensible answers, but I wanted to know the reason for the extension—it is not clear—and what role the Crown Prosecution Service and similar services in other parts of the country will play in determining applications. Hitherto, applications have been made by the police. Of course, I know that the Crown Prosecution Service plays a greater part in the charging process, but I hope that we can have some explanation.

We tabled amendment No. 9 because the Bill is poorly drafted and the amendment deals with one example of that. The sentence to which it applies makes no sense and I assume that the word "a" is missing. However, it highlights the fact that the Government have plunged into legislation in some haste.

Amendment No. 10 is important. It deals with the way in which the court should regulate the process whereby extended detention takes place. The Bill provides that the police or the prosecutor can ask for an extra seven days. I cannot understand why seven days have been chosen. If someone has been in custody for 32 days, I can think of no reason why the

court should not be entitled to say, even in ordinary circumstances, "You can have another 48 hours and no more." Under the Bill, the court can do that only if special circumstances warrant it.

Let me give a first example of our attempts to improve the Bill. If the Government are to depart from the 14-day rule, the court must play a much more proactive role in determining whether days of detention are justified. Indeed, there is an argument that that should apply to the seven-day rule before the first extension. Simply returning to court on a weekly basis and asking for another seven days is not good enough. The amendment seeks to provide a greater opportunity for the court to exercise its discretion.

5 pm

Amendment No. 12 deals with a point that we discussed earlier—namely, that it is quite wrong that further detention should be allowed solely to obtain evidence by questioning. Of course I appreciate that questioning is an important part of ascertaining whether an offence has been committed, but the reality is that the vast majority of those arrested for alleged terrorist offences usually decline to comment. Alternatively, they might be wholly co-operative because they believe that they will be able to exonerate themselves by providing a complete explanation. I cannot believe that 14 days is not long enough for that process to take place. If detention were to be allowed beyond 14 days merely for questioning, the courts would soon start to find such conduct oppressive.

Ian Lucas: Would not this provision apply if information came to the police within that period as a consequence of forensic testing, and gave rise to the need for further questioning of the individual concerned?

Mr. Grieve: That might well be possible, but my amendment would not prevent that from happening. It would allow further detention, and questioning, to take place, provided there were some reason for that questioning, rather than for the purpose of obtaining evidence solely through questioning. For example, if the police were to say that they would have the results of forensic tests coming from another country in four days' time, and that they wanted to put those results to the defendant, I would not have any problem with extending the detention accordingly. I do, however, have a problem with the suggestion that the purpose of the extended detention should be solely to continue to ask questions, when there is no basis for doing so. The Home Secretary might come up with a different formula, but we need to look at this provision.

Amendment No. 13 deals with the PACE codes. I think that the Home Secretary would agree that the codes, as they stand at present, are not designed to deal with people under long-term detention. We need a completely separate set of PACE codes to cover terrorist cases in which detention is to last more than seven days. For example, the number of hours in a day for which a person can properly be questioned ought to be drastically reduced from the present amount. That would be as much in the interest of the police and those making the inquiry as of the defendant or suspect.

The process of questioning is not designed to break someone down. We are not dealing with Guantanamo-style interrogation here—at least, I hope we are not. I hope that the process is designed simply to enable someone to answer allegations that have been made against them. However, there is a long history of people confessing to things that they have not done—not necessarily as a result of police culpability—because the environment of being held in a police station is, by its nature, oppressive. Those people might be suffering from personality problems, or whatever it might be that makes them susceptible to doing that. Nothing is better designed to create a miscarriage of justice than the coming together of those different circumstances.

So, we need new PACE codes. I cannot do anything to incorporate such codes into this Bill, because they have to be passed by the House by means of a statutory instrument. However, I am seeking an assurance from the Home Secretary that there will be new PACE codes, and that they will reflect the extended period of detention.

Mr. Hendrick: The hon. Gentleman's argument is based on the premise that the extra time is required solely for questioning, but if he looks at the Bill he will see that the further detention of a suspect may be deemed necessary

"to obtain relevant evidence whether by questioning him or otherwise".

This is not just about questioning; it is also about giving the police time to find evidence elsewhere. The hon. Gentleman should stop basing his argument solely on the questioning element.

Mr. Grieve: If I might say so, if I had intended to interfere with the right to detain somebody for other reasons, I would have spelt it out in my amendment. I have not done so, precisely because I accept that there may be reasons, in those circumstances, for detention being justified.

The other part of amendment No. 17 deals with the fact that I believe that the PACE codes could do with being reviewed in terms of the questioning that can take place of an individual after charge. Historically, there have been good reasons for not allowing questioning after charge, except in exceptional circumstances, but if that needs attention perhaps the Committee should consider providing it.

Rob Marris (Wolverhampton, South-West) (Lab): I am grateful to the hon. Gentleman, who is being extremely generous in giving way. It is clear from previous amendments, particularly amendments Nos. 12 and 13, and from what he has said today that going beyond 14 days is not a point of principle for him and that he would contemplate it. However, does he agree that 28 days, which he says is perhaps at the edge of what might be allowed under European conventions, might be a suitable compromise and much better than his proposed new subsection (7) in amendment No. 17, which represents changing the principle as opposed to the number of days involved, whether 14, 28 or 90—that is, questioning after charge? I would find that much more undesirable, and I thought he would as well.

Mr. Grieve: I am not sure that it would be a huge change in principle, because if the hon. Gentleman looks at paragraph 16.5 of PACE code C he will see that

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questioning after charge is already possible. My understanding from the police is that it is being used increasingly frequently, and in my view perfectly fairly. However, there are issues, one of which is whether an adverse inference should be drawn from silence to further questions after charge.

I say to the hon. Member for Wolverhampton, South-West (Rob Marris) that my view is that if there is a satisfactory judicial safeguard of being able to apply to a court for permission to question again, giving valid reasons for it—provided that is done in the presence of a solicitor and within all the other safeguards—I do not see why some questioning should not take place after charge. If there was silence, an adverse inference could be drawn from it.

I do not believe that that would be such a departure from principle as the hon. Gentleman fears. In practice, this is an incremental change, and there is an argument that the protection, while important, may be quite archaic in relation to how it was introduced. While I do not want it to disappear entirely, if there is a choice between charging somebody with, for instance, a lesser offence and wishing to revisit the circumstances while he is detained, probably in custody pending trial, I am much more comfortable with that than keeping somebody for 90 days without charge. We ought to consider that.

We can also consider who reviews the process. My view is that it should be done by a senior circuit judge—Lord Carlile shares my view—and there should be a right of appeal to the High Court. Currently, a circuit judge may undertake the review, but that can also be done by a district judge. The supervision of that process ought to be taken to a higher level.

Dan Norris (Wansdyke) (Lab): I thank the hon. Gentleman for giving way. Does not Lord Carlile also say that he has no problem with 90-day pre-charge detention; he is just concerned about the safeguards that are in place? The hon. Gentleman is prepared to cite Lord Carlile in one example; why is he not prepared to do so in that important example?

Mr. Grieve: I have no reason to doubt Lord Carlile's sincerity in presenting his proposals. He says a great deal on this. If the Home Secretary provided all the safeguards that I want, that would be a constructive step in deciding whether 14 days could be extended. The ball is very much in the Government's court. We have a problem because it seems that the safeguards are not being provided and a huge extension is being sought. I do not regard that as satisfactory.

Mr. James Clappison (Hertsmere) (Con): I am grateful to my hon. Friend for giving way. Has he not made an important point on Lord Carlile's proposals, because what Lord Carlile says is based on the assumption that all the proper safeguards are in place? As the Bill stands, we cannot say that the safeguards he contemplates are in place.

Mr. Grieve: No, they are not. The Home Secretary asked for a real effort to be made to try to achieve consensus. That requires listening in Committee, as there is no other point at which we can make representations, and coming back expeditiously with ideas. Otherwise, we are left with the impression that this is a one-way system in which we are asked to make the concessions and the Government give us nothing in return. As I said to the Home Secretary, the Bill must be in proper condition when it leaves this House, not at some mythical point in the future.

New clause 1, tabled by Government Back Benchers, to which I have readily added my signature to those of my hon. Friends, provides a mechanism for a sunset clause on the extended powers, which will be renewable by statutory instrument. In the past, that is how we have dealt with extraordinary terrorist powers, and I very much hope that that is how we deal with such powers in future. If we embark beyond 14 days, we are moving into uncharted waters, which causes many Members on both sides of the House a great deal of disquiet. I therefore hope that the Home Secretary will acknowledge that if the powers are introduced in any shape or form, it will be on the basis that there will be an annual debate in which Parliament can bring them to a halt if it is unhappy with their operation.

John Bercow: My hon. Friend very shrewdly avoided the elephant trap that had been laid for him by the hon. Member for Wolverhampton, South-West (Rob Marris) and I hope that he will not now fall into an alternative trap. May I put it to him that it is not merely a question of safeguards or of the existence of a sunset clause, valuable though both those things can be, but of the evidential base, if such base there be, for an extension of time? It is not a matter of saying, "Some people think two plus two is four, others think two plus two is six, so we will compromise on five." It must be a matter of principle, and the Government have not yet made a case, by providing examples, for any sort of extension. We cannot accept some sort of cobbled-together compromise in the name of a quiet life.

Mr. Grieve: My hon. Friend is absolutely right, and that brings me to the conclusion of the points that I wanted to make.

We will listen to what the Home Secretary has to say in response to what I think will be widespread disquiet about the proposals. That will colour what we do at the end of the debate. There are several options. There is an amendment allowing for 28 days' detention. I indicated that I did not want to get drawn into the question of periods, but if I remain dissatisfied at the end of the debate about three months' detention, 28 days is certainly a lesser evil and more readily controllable. On top of that, we will have to consider seriously whether we can support the clause at all. While there might be justifications, if the Government cannot give them in the course of debate, there can be no basis on which we can sign up to it. If we simply allow it to drift to Report next Wednesday, all that that does is to defer the clash that will come.

In the past, when dealing with these Home Office Bills, I have on several occasions ended up standing up at the Dispatch Box late at night on ping-pong between this House and another place, which has acted as the only protector of civil liberties in this country. I do not want to do that again if I can avoid it. It is an

unsatisfactory process, as the Home Secretary acknowledged the last time it happened, just before the general election. I therefore hope that the Home Secretary will take in good part the comments that have been made and respond positively. But if, as I slightly fear, the Government simply intend to bulldoze their way towards 90 days, without providing the foundations for doing it and the safeguards that should surround it, we will not be able to support him, and indeed we will oppose him vigorously.

Mr. David Winnick (Walsall, North) (Lab): I want to speak to the amendments tabled by me and my hon. Friends, which relate particularly to the period of 28 days and annual renewal.

The hon. Member for Beaconsfield (Mr. Grieve) concluded his remarks with a reference to the House of Lords. Clearly, some Members outside the Government—perhaps in the Government as well—have no reservations at all about the 90 day-period, are absolutely happy with it, and so be it. We do have reservations. Obviously, I have many reservations, to say the least. However, I do not work on the assumption that it does not matter what we do here, because we know that the House of Lords will not agree to 90 days. My view is not that we should leave it to the House of Lords but that the elected Chamber should try to reach a consensus, which is why I have tabled amendments in what I hope is a constructive way.

5.15 pm

I accept that the issue is controversial. Detaining people without charge is in itself controversial. I have gone along with it on the basis that we face an acute terrorist threat. I am not one of those who have, at one time or another, minimised the terrorist threat. Indeed—not just shortly before 7/7 but in the Home Affairs Committee and in questions to Ministers, under the previous Administration as well as since 1997—I have referred to the threat of terrorism and the fact that people come into this country who want to cause maximum damage. I leave aside those who were responsible for 7/7. I wondered why such people had been allowed into the country in the first place.

Perhaps we can reach a consensus, however difficult that may be. I am willing to go along with the notion that a longer period than 14 days is required. I do not stand fast on the 14 days, or I would not have tabled my amendment. There are those who oppose any increase, including, perhaps, other Labour Members, and there may be some who argue that there should be no period of detention at all. There are also, as I have said, those who are happy with what the Government propose. My view is that a direct increase from 14 days to 90 is not justified. I have heard no justification, apart from the Home Secretary's statement that the police happen to share the Government's view. I do not think that that is sufficient justification. I do not think that jumping from 14 days to 90 is justified simply because the Home Secretary has been told—and if he says he has been told, I am sure that he has—that the police asked for the extension. That does not strike me as right, or as fulfilling the functions of the House of Commons.

Mr. Hendrick: My hon. Friend is probably aware that the police have given their reasons for supporting the 90-day period. First, it would allow time for computers to be decrypted. Secondly, it would give them time to gain access to difficult sites where forensic evidence might be stored, such as tube trains. Thirdly, it would allow time for difficult negotiations with other police forces around the world, in which communication might be difficult and interpretation might be required. Does he not accept those technical grounds? Perhaps, rather than engaging in a Dutch auction to decide on the number of days, we should accept the police's technical reasons.

Mr. Winnick: Would my hon. Friend say the same if the police favoured four months, six months or nine months? Of course the police will try to justify the extension. We all recognise that they have a very important role to play in defending our country, but I do not agree that the fact that the police have said this, that and the other is sufficient reason for the House to go along with it.

Mr. Sadiq Khan (Tooting) (Lab): What my hon. Friend the Member for Preston (Mr. Hendrick) says is not borne out by statistics. Since the change in the law in 2004, there have been 11 instances of detention for 13 to 14 days, and in all of them the detainee has been charged. There have been 12 instances of detention for between seven and 13 days, and in all of them the detainee has been released without charge. In none of those cases has someone been rearrested once the computer has been decrypted or further evidence has been gathered. I know of no case from the past two years in which an extension to 90 days would have been justified.

Mr. Winnick: My hon. Friend makes a very powerful point.

Mr. Llwyd: I refer the hon. Gentleman to last Wednesday's debate and to his exchange with the Home Secretary, who said:

> "In Committee, on Report and otherwise, I am ready to be flexible in discussions, if we can reach an agreement. Furthermore, it would be better if the House resolved the matter rather than left it to the other place, but that requires both sides of the House to work constructively to reach agreement."—[*Official Report*, 26 October 2005; Vol. 438, c. 332.]

Has there been any constructive engagement with the hon. Gentleman?

Mr. Winnick: Any private conversation that may or may not have taken place between my right hon. Friend the Home Secretary and me will remain private. I see no purpose in having private gatherings—if there were any such gatherings—and then telling the House of Commons. But I am sure that in responding to the debate, my right hon. Friend will explain again what he said last week, and I will listen very carefully.

I have repeatedly been asked whether I will force the amendment to a vote. I do not know. I am minded to do so at this stage, but I am a flexible sort of person—as I have always been—and I shall listen very carefully to what my right hon. Friend says. The gap between the Government and me on terrorism is pretty narrow. We

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recognise the dangers, and that certain emergency powers have to be taken. We recognise that 7/7 is not necessarily a one-off, leaving aside 21/7, which we must not speak about because it is sub judice. Does anyone in this House believe that there is no acute terrorist threat? Does anyone believe that the massacring of totally innocent people that took place on 7/7—they included Muslims, as well as Christians, Jews and Sikhs—cannot happen again this year? The differences between my right hon. Friend and me are pretty narrow, but they are extremely important, otherwise I would not be speaking to these amendments.

Steve McCabe (Birmingham, Hall Green) (Lab): I have no doubt about my hon. Friend's genuineness and sincerity in this matter. The police have made a case for a maximum period of 90 days. He may have some difficulty with that, but what persuaded him that 28 days is the right figure?

Mr. Winnick: My hon. Friend will be pleased to know that it was not a research assistant, because I do not have one. The period has been increased from seven to 14 days and in my view, doubling it to 28 days is reasonable. There is no great mystery here; no one is suggesting that anything underhand has happened. I feel that 28 days is a reasonable compromise. I doubt whether my hon. Friend will agree, but he has made his point.

Mr. Gordon Prentice (Pendle) (Lab): Is it not true that the 90-day proposal will violate article 5.3 of the European convention on human rights? My friend will have studied these matters, and we heard from the Opposition that 28 days takes us to the outer limits of what is acceptable. Does he share that view?

Mr. Winnick: Whether the proposal infringes the ECHR is entirely a matter for the Home Secretary. No doubt my hon. Friend will put that question to him in due course.

Huw Irranca-Davies (Ogmore) (Lab): My hon. Friend rightly described himself as flexible, so I put the following point to my honourable, flexible Friend. The 28 and 90-day periods have been discussed at great length in public and behind the scenes. The argument for a 90-day period is based on certain evidence put forward by the police, but some of us are struggling to understand in what way the 28-day period is scientifically accurate. Many Members are worried that establishing a 28-day period following discussions in the House today will not give the police and the intelligence services the flexibility that they need.

Mr. Winnick: My hon. Friend is reiterating the point made by my hon. Friend the Member for Preston (Mr. Hendrick). My hon. Friend the Member for Ogmore (Huw Irranca-Davies) is clearly satisfied with 90 days; indeed, if the period in question were longer, he would probably argue that the police consider it necessary in the circumstances. If he is satisfied with 90 days, as he clearly is, and if there is a vote, no doubt he will vote accordingly.

Emily Thornberry (Islington, South and Finsbury) (Lab): Does my hon. Friend agree that 28 days has the advantage over 90 days in that it is 62 days shorter?

Mr. Winnick: As some would say, not even Einstein could have reached such a quick conclusion.

Several hon. Members *rose—*

Mr. Winnick: I shall take two more interventions, and then I must make some progress.

Mr. Bailey: My hon. Friend is being very generous in giving way, and I do not think that there is a great deal of difference between our positions. However, although he said, correctly, that the idea of 90 days had been put forward by the police, he did not acknowledge that Lord Carlile, an eminent expert on this subject who has been involved in reviewing terrorist legislation, totally concurs and supports that limit. Surely that gives the 90 days further credence.

Mr. Winnick: I do not think that it is a sin for this House to disagree with Lord Carlile.

Mr. Hamilton: Does my hon. Friend also accept that for an innocent person, as the vast majority are, the suggested limit is 14 days too long?

Mr. Winnick: No, I do not.

The Bill provides that detention would be divided into steps of seven days, and extensions would have to be applied for from a "judicial authority". Some of my amendments say that that should be a High Court judge. I hope that there will be no controversy or opposition to that from the Home Secretary. After all, if we are to detain people for such a time, the judge involved must rank higher than a district judge.

Mr. Cash: As the hon. Gentleman may know, I tabled a fairly similar amendment, and there are one or two others as well. The key factor is that there are High Court judges who would be completely inappropriate for such an exercise. Does he agree that it would be better to be sure that the person involved had been designated by the Lord Chancellor, as prescribed in the legislation at large, on the basis of appropriate expertise on terrorist offences? There is a cadre of people who are particularly well qualified.

Mr. Winnick: That may be the position that the hon. Gentleman takes, but my point is that we should have a High Court judge, whether designated or not.

Several hon. Members *rose—*

Mr. Winnick: I shall take two more interventions; then perhaps I can get on with my speech.

Martin Linton (Battersea) (Lab): I thank my hon. Friend for his generosity in giving way. Does he accept

that with the 7/7 bombings, it took two weeks for the emergency services to gain access to all the sites, and a further six weeks for them to complete their examination? Had there been a surviving culprit—which of course there was not—28 days would have been too short. Does he agree that our experience of terrorist incidents so far points to the need for a period longer, on a renewable basis, than 28 days?

Mr. Winnick: What we can be certain of is that the 7/7 bombings took place despite what was already on the statute book.

Kali Mountford (Colne Valley) (Lab): I was listening carefully to what my hon. Friend said about High Court judges, but can he draw a distinction for the House showing why a High Court judge is necessary, as throughout the judicial system we accept that judges at all levels can send people to prison for much longer than 90 days? Why would we need a High Court judge for just 90 days?

Mr. Winnick: If I may say so, with all due respect to my hon. Friend—whom I genuinely respect—that is the most surprising intervention that I have had. Here we have people who are being detained with no charge whatever. We recognise the necessity to detain them, although certainly not for 90 days—but my hon. Friend then asks why we should worry about what sort of judge is involved. We worry because we are concerned about the rule of law. We worry because we want to ensure that, as far as possible, people who are being detained in that extraordinary situation have their cases examined by the highest possible category of judge.

I find my hon. Friend's question surprising, because this is a parliamentary democracy: our job is to defend the rule of law and the idea that in the main, people should not be in prison, or detained in any way, unless charges are brought. My hon. Friend says, "Why worry about it?" Why not let it be dealt with by some junior magistrate, perhaps, and have done with it?

Several hon. Members *rose—*

Mr. Winnick: No, I shall make some progress now.

Home Office figures show that 357 people were arrested between January 2004, when the 14-day maximum detention period came into force, and September of this year. Of that total, 36 people were held for more than seven days. Last year, moreover, nine people were held for 13 to 14 days. So far this year, two people have been held for the same period of time. All 11 of those held for the longer period have been charged. It is interesting to note that the 14-day period has been in operation only since January last year. That is less than two years, but today we are being asked to jump straight to extending the period to 90 days.

5.30 pm

I have said already that we are concerned with the rule of law, but if we are not also concerned with civil liberties, we should not be here. Our job is to marry up the rule of law and civil liberties, in the circumstances of the acute terrorist danger that faces this country. Those who are content with the 90-day proposal clearly believe that it strikes a proper balance between civil liberties and safeguarding our country, but I do not agree. It is essential that we in the House of Commons are extremely careful about detaining people for a period when no charge is made.

It is true that, in previous periods of British history, it has been necessary to detain people. I was about 13 or 14 when I learned about what happened in 1939, when the country faced the gravest possible danger. At that time, the leadership of the Mosleyite gang was locked up, under what were known as the 18B regulations. In the circumstances that prevailed at that time, I am sure that the decision of the House of Commons was absolutely right. Incidentally—and I am not trying to make a party-political point—one Conservative MP who was also detained tried to table questions from Brixton prison. As I understand it, the Speaker of the day ruled that he was not in a position to do so.

The terrorist danger today is acute, but the situation is very different from the circumstances of 1939. We must try to find consensus and a reasonable compromise in this matter. As we have heard in interventions, some hon. Members believe that setting a maximum of 90 days' detention is the right way to proceed. Clearly, I do not believe anything of the kind.

I hope that we can reach an agreement on 28 days, and that the Home Secretary will recognise the result of our deliberations. If there were to be a free vote on this matter tonight, does anyone doubt what the House's decision would be? Would we opt for 90 days, or 45? I think that the answer is pretty obvious, unless it is argued that those of us who support the amendment do not recognise the extent of the terrorist danger that we face as clearly as others do. However, I do not believe that that argument would be correct.

For 30 years, the IRA was committed to terrorism, and it carried out terrible bombings and other atrocities on the mainland and in Northern Ireland. In that period, we did our best to protect the Irish community. We made sure that ordinary Irish people were not stigmatised or held in any way responsible for what that bunch of murderous gangsters was doing.

In the same way, we must extremely careful in our approach to the Muslim community. We know where the terrorist danger comes from. When the IRA was committed to terrorist action, it was no use looking for Muslims, Hindus or anyone else to blame, as we knew that the terrorism was being carried by people from Northern Ireland or the Republic. Similarly, we know that the terrorism that we face now is being perpetrated by a small number of people who are totally isolated, from both the Muslim community and from wider society.

If we pass into law measures that are seen by the Muslim community as against their interests, we could be in danger, if we were not very careful, of antagonising the very people whom we want as our firm allies—even though that would be the opposite of our intentions. The overwhelming majority of Muslims are against terrorism, just as the overwhelming majority of Irish people said time and again, whenever given the opportunity, that regardless of their views on Northern Ireland and whether there should be a united Ireland, they saw no justification for what the IRA was doing.

[Mr. Winnick]

I hope that, in reaching a consensus on a sensible approach to this matter, and if my right hon. Friend the Home Secretary shows the necessary flexibility and understanding of our concerns, we will be careful not to antagonise the very people who need to be protected. As I said earlier, Muslims were among the victims of 7 July who were as innocent as anybody else. As regards the vote, I shall listen to what my right hon. Friend has to say. It would not do any harm to resolve this issue once and for all tonight, but if he indicates that 90 days will not be the final result—

Linda Gilroy (Plymouth, Sutton) (Lab/Co-op): Will my hon. Friend give way?

Mr. Winnick: No, I am coming to a close now. If my right hon. Friend also says that on Report he will come much nearer to our position, it will be for the House to decide whether we should divide on the issue.

Mr. Grieve: I have read carefully the hon. Gentleman's proposals and listened to what he has said. They would offer an opportunity to the House to achieve an early resolution of the issue if he were minded to press the matter to a Division and Members felt that it was worth doing. Without it, the danger is that relations will become more corrosive. That is a real threat if the Government do not start to listen to the fears that are being expressed.

Mr. Winnick: One of the ironies of this situation is that I am as certain as I can be that if—heaven forbid—we had a Tory Government, they would have proposed 90 days and there would be far more vehement opposition to that proposal from the Labour Opposition Front Bench than anything I have said today.

Mr. Grieve: I can assure the hon. Gentleman that such a proposal would not come from me.

Mr. Winnick: Be that as it may—

Linda Gilroy: Will my hon. Friend give way?

Mr. Winnick: No, I am concluding my remarks. My right hon. Friend the Home Secretary will have the opportunity in a few moments' time to demonstrate that he understands our concerns and to show flexibility. We can then reach the sort of compromise that is essential on this issue.

Mr. Heath: It is a pleasure to follow the hon. Member for Walsall, North (Mr. Winnick). If the Home Secretary or the Government had any doubt about the disquiet felt on both sides of the House—I doubt that they did—about this proposal and others in the Bill that have already been debated, they will have been disabused of that doubt by the result of the Division earlier and by the speech that we have just heard and interventions in it by Labour Members.

I wish to pick up two points from the hon. Gentleman's remarks. First, he asked for consensus and compromise. I am wholly in favour of consensus on this issue and it is important that we reach it. I am less convinced that compromise would be consensus on this issue. It worried me slightly when the hon. Gentleman said that if the Home Secretary were to come some way towards 28 days, we would make progress. That sets new parameters for that compromise of between 90 days and 28 days. Some of us believe that if something is wrong, it is wrong. It is as simple as that.

Steve McCabe: Will the hon. Gentleman give way?

Mr. Heath: No. The hon. Gentleman might at least allow me to make my introductory comments.

Secondly, the hon. Member for Walsall, North said that there was very little that divided him and the Home Secretary. I hope that very little divides hon. Members on the sensitive issue of terrorism. I hope that we are all aware and convinced of the serious threat that this country faces. I hope that we are all convinced of the need to take the most appropriate and effective action to combat that threat. The point on which we differ is whether the Government's proposals are the right response to the latest event or to likely events.

My party and I are not convinced of the case for 90 days. In fact, I suspect that the Home Secretary is not convinced. There are media reports drawn from what appear to be wholly credible sources that he said,

> "I believe there is room for debate about whether we should go as far as three months".

That suggests the presence in his mind of doubt regarding the appropriateness of the proposals.

Mark Fisher (Stoke-on-Trent, Central) (Lab): To his credit.

Mr. Heath: The hon. Gentleman is absolutely right. The right hon. Gentleman is a Home Secretary with whom we would like to do business. We believe that there is a degree of consensus between us—the same could not always be said of previous Home Secretaries. We have had more difficulty with some of his predecessors.

What we cannot accept is that the new proposal for 90 days should be proceeded with on the simple assertion that it is necessary. The matter is not trivial; it is extremely important. The question facing us is whether we detain someone without trial and without charge for three months. That is not the British way of doing things. That is not how we conduct judicial processes in this country. Let us be clear: if we allow the 90-day detention period, we have allowed at least a partial victory for the terrorists.

That brings into question some old-fashioned concepts that I believe are still important, and I am happy to know that other hon. Members agree with me. Those concepts include liberty, justice and the rights of the citizen, whoever they may be, to a proper hearing before the law. That there are a few who would support 90 days—or 90 years—if that is what the police asked for trivialises the debate. This is a serious debate, which we should approach in a sensible manner.

Steve McCabe: Will the hon. Gentleman give way?

Huw Irranca-Davies: Will the hon. Gentleman give way?

Mr. Heath: I shall give way to the hon. Member for Birmingham, Hall Green (Steve McCabe).

Steve McCabe: No one wants to play politics with the issue and I take the hon. Gentleman's word regarding his sincerity. The Liberals say that they oppose on principle an extension beyond 14 days, so am I correct in assuming that if the amendment tabled by my hon. Friend the Member for Walsall, North (Mr. Winnick) is pressed to a Division, they will not vote for it?

Mr. Heath: I do not know whether the hon. Gentleman thinks that he is making a clever point, but I assure him that he is not. The principle is that we in this country do not hold people without charge and without trial. That is the starting point, which is mitigated by the necessity of concluding investigations and of proceeding in a judicial way. If, as I hope he will, the hon. Member for Walsall, North presses his proposal, the question facing us will be: is it better to have 90 days, as in the Bill, or 28 days? I take the view expressed by the hon. Member for Islington, South and Finsbury (Emily Thornberry), who is now grinning, thinking that she made a clever point. Twenty-eight days is 62 days less than 90 days and is therefore to be preferred, but it is still not what we want in the Bill. We have made that abundantly clear throughout our proceedings.

Mr. Cash: Why was there no dissent from the Liberal Democrats in principle on the extension of the time limit from seven to 14 days?

Mr. Heath: I thought that I had just dealt with the principle involved, which, as I say, is about the balance that we must all strike between the appropriate civil liberties of the subjects in this country and what is required for the defence of our wider liberty—our safety. We are debating where that balance should be struck.

5.45 pm

Huw Irranca-Davies: Will the hon. Gentleman give way?

Mr. Heath: No, I will not give way; I want to make progress.

In support of his proposals, the Home Secretary has prayed in aid jurisdictions other than our own, but the hon. Member for Beaconsfield (Mr. Grieve) was right to say that that is not a proper comparison. For a start, we can compare ourselves only with other common law jurisdictions. We can compare ourselves with a jurisdiction that is based on a wholly different premise of law only if we take a holistic approach to its proceedings. Simply isolating one procedure from many gives an entirely false impression of other jurisdictions.

Mr. Llwyd: Did not Lord Carlile say in his report that he would be far more comfortable with the proposed changes if the process were not adversarial but inquisitorial, similar to that in other European jurisdictions?

Mr. Heath: Lord Carlile did say that, and I will come to other things that my noble Friend has said, because so far in this debate his name has been taken in vain.

What is proposed is a judicial innovation, but there are others that we would like in order effectively to combat the threat of terrorism. The measure cannot be considered in a vacuum and to say that it is the one thing that is needed in order to allow the police to do their work ignores all the legislation over recent years that successive Home Secretaries have brought before the House to be voted through and enacted. Indeed, that claim ignores various other measures in the Bill.

Let us deal with the critique of the proposals and for a moment assume that the 90-day period has been made law. Lord Carlile said:

"I question whether what is proposed in the Bill would be proof to challenge under the Human Rights Act given the length of extended detention envisaged."

That is not the ringing endorsement of the proposal that some Labour Members have suggested. Lord Carlile went on to set out clearly his preferred alternatives in order to provide the safety locks for the 90-day detention period:

"Detention for longer periods, certainly over a month, and beyond the slightest doubt three months, requires a reassuringly strong system of protection for the detained person."

He listed some of the things that he would want:

"Where detention beyond 14 days is to be applied for, the introduction of one of a small group of security-cleared, designated senior circuit judges as examining judge"—

would be required. That point was referred to earlier. He continued:

"That judge to be provided with a full and continuing account of all matters involved in the investigation in question.

The introduction of a security-cleared special advocate, also fully briefed as to the investigation, to make representations on the interests of the detained persons and to advise the judge.

The judge to have the power to require specific investigations to be pursued if reasonably necessary for the proper exercise of his/her jurisdiction.

Suitable opportunity for written and oral defence representations against extended detention, with oral hearings at the discretion of the judge.

Weekly decisions with reasons if extended detention granted.

The keeping of a written record (if necessary protected from disclosure for the purposes of any subsequent trial) of the judge's activities in a case.

Appeal with permission to the High Court."

Mr. Grieve: Does the hon. Gentleman agree that the fact that Lord Carlile highlighted the need for a special advocate goes to the heart of his anxieties that the mere extension of detention time could be subject to abuse, and that the need for a special advocate highlights the highly unusual nature of the procedure that the Government are seeking to adopt?

Mr. Heath: The hon. Gentleman is absolutely right. This is a base level against which we can measure the proposals. Without all those safeguards, we have a non-starter—something that is clearly outwith the

[Mr. Heath]

provisions of the Human Rights Act. Therefore, we should not even be considering such a proposal. Indeed, the suggestion that we include such proposals in the Bill does not bear a moment's examination.

Martin Linton: Does the hon. Gentleman accept that the length of time that it takes to investigate terrorist offences has created a new situation? As I said to my hon. Friend the Member for Walsall, North (Mr. Winnick), after 7/7 it took two weeks to access the sites and a further six weeks to make complete examination. A total of 42 days was required for investigation, so a 14-day limit would have been counter-productive. Suppose the Tavistock square bomber did not get on a No. 30 bus but instead walked the streets of London and was arrested the same day without any evidence on his person. He would have had to be released before the second incident on 21/7. Does the hon. Gentleman not accept that there are new circumstances in which a longer period is required to complete an investigation of terrorist offences?

Mr. Heath: I do not want to reduce the hon. Gentleman's proposition to the absurd, but exactly the same arguments would apply if the investigation took 365 days or two years. It is our responsibility in the House to achieve a balance, but as I shall explain, there are alternatives that allow for proper investigation without a substantial departure from the traditional law of this country as proposed by the Home Secretary.

Mark Fisher: Having dealt with the ways in which Lord Carlile does, and does not, agree with the Home Secretary's proposals, does the hon. Gentleman agree that a number of hon. Members will be impressed by the fact that the police have endorsed a 90-day detention period? Although they may have reservations about such a long detention, they may be persuaded to support the Government by the police endorsement. The police deserve the respect of every hon. Member for the difficult job that they do, but it is not for them to lay down the law. It is for us to make the law. The job of the police is to enforce the law that we lay down—it is not to make fine distinctions between civil rights and the law. Does the hon. Gentleman agree that it is our job to protect civil rights? If the House starts to detain fellow citizens in prison without charge for 90 days it is going down the wrong road.

Mr. Heath: I agree. I have worked closely with the police over the years. As the hon. Gentleman may know, I was chairman of a police authority and I have worked with the National Criminal Intelligence Service. I have a great deal of respect for the police but, equally, they have a distinctive approach to the matter. They rightly wish to secure successful prosecutions and to protect the public but they always want increased powers. It is the job of the House and, indeed, the Home Secretary to assess the balance between those proper requests for additional powers and their effect on the liberty of the subject.

To return to the point made by the hon. Member for Battersea (Martin Linton) about the length of time needed for investigation, a puzzling argument has been made about the time needed to crack an encryption. I am not an expert on the subject, and do not pretend to be, but specialists tell me that it does not take 14 days but perhaps 14 years to solve an encryption without the key. People can make educated guesses to decipher an encrypted message, but their investigation will not be completed in a comfortable period of 90 days. Why, as I said earlier, has an offence that we put on the statute book with the passage of the Regulation of Investigatory Powers Act 2000 lain idle for five years? Why on earth have people not been prosecuted for refusing to give an encryption key? If that is not the problem, what is the argument about?

Mr. Hendrick: Will the hon. Gentleman give way?

Mr. Heath: Well, all right.

Mr. Hendrick: The hon. Gentleman is extremely generous. The idea of the provision is obviously that it pre-empts the use of computers in that way. We know that information can be stored, coded and encrypted, so the legislation is there before the bombs go off, not after the bombs go off. That is the whole point.

Mr. Heath: I do not begin to understand what the hon. Gentleman meant in that intervention, so I cannot respond to it.

My hon. Friends and I have tabled two amendments in this group. Amendment No. 92 is a paving amendment; amendment No. 93 is the substantive amendment. We have attempted to put in some of the safeguards that my noble Friend Lord Carlile of Berriew suggested. Amendment No. 93 raises the decision-making authority from a district judge to a High Court judge, which will inevitably be conceded by the Government. It would be helpful if they did so now.

The amendment suggests three scenarios for an extension of detention—delays due to forensic analysis, one of the possible problems that was identified earlier; delays due to encryption, which, as I said, I find difficult to understand, but I am prepared to accept that that may be an issue, which can be pursued; and delays due to the need to gather international data or mobile phone records, which I accept may take a certain amount of time when authorities abroad are involved.

The amendment lays down the condition that the judge must satisfy himself that no other charge is possible. That comes back to the potential for prosecution under section 53 of RIPA. It also takes account of the other terrorist offences covered by the Bill. There is a further requirement for the judge to vet police lines of questioning, which relates to the issue raised by the hon. Member for Beaconsfield about the Police and Criminal Evidence Act 1984 protocols, which will need to be revised. I hope we will get a clear indication of how they will be revised if the proposal is accepted.

Dan Norris: On encryption, it is possible for someone to walk off the street into a store and buy a 192-bit encryption device, which is based on American military technology. Our security services are able to access that technology and counter it. They need the initial period of a few weeks to work out what the code is. I appreciate

that the hon. Gentleman keeps referring to the maximum pre-charge detention as three months, but he does not emphasise that that is a maximum. There are weekly reviews. By their own admission, the police do not expect, other than in the most exceptional circumstances, the period of detention to be anywhere near that long. It is entirely misleading not to make it clear that there is constant review throughout the process and that three months is a maximum.

Mr. Heath: We are giving a power. We have no idea how it will be used. If the House gives a power to the investigating authorities, they can use it as they see fit. The hon. Gentleman may be right that it will be used on relatively few occasions. He may be wrong about that. I start by considering the power that we are giving, which is the capacity to detain for 90 days without charge. That is a very serious matter indeed.

Martin Linton *rose—*

Mr. Heath: No, I must make progress.

On the other point made by the hon. Member for Wansdyke (Dan Norris), as I understand it, the encryption can be removed either in a relatively short period or not at all. If someone is serious about stopping a criminal offence and putting someone before a court, there is a perfect pretext, if I may say so, if they refuse to give the key to the encryption. I cannot for the life of me understand why that is not used.

Dan Norris *rose—*

Mr. Heath: No.

Why are we proposing safeguards to proposals that we reject? Because our job is to improve the Bill in Committee. I hope that that will be accepted at face value. The sunset clause that was mentioned is a further substantial improvement to the Bill.

I shall repeat the second question in case of any doubt: do we support 28 days in preference to 90 days? Yes, of course, because it would be a move in the right direction. That does not mean that we accept 28 days; it means that 28 days is preferable to 90 days, which, as far as I am concerned, is a no-brainer.

6 pm

We are sincere in our view that the best outcome is consensus across this House and between the Houses, and I repeat that there are better ways of achieving the objective. It has been mischievously suggested that we are discussing minor offences in other parts of the legal spectrum, but we are discussing lower-order terrorism offences. The Home Secretary knows our view that if there is no prima facie case for a lower-order offence such as acts preparatory to terrorism, there is no argument for holding a suspect. We must examine ways of exempting lower-order terrorism offences from bail, because I accept the Home Secretary's point that it would be a major difficulty if we were to go down that escalatory route without proper bail conditions.

The threshold used by the Director of Public Prosecutions in charging guidelines should be re-examined. Where there is a reasonable likelihood that admissible evidence will be available, then proper grounds exist for a charge, which is a power that is not being used sufficiently at the moment.

If we do not reach a consensus, there will be increasing frustration that we have not been able to find a satisfactory way through this maze. The Bill is unacceptable for all sorts of reasons. If we have the opportunity, we will support amendment No. 28 to reduce the period to 28 days. [HON. MEMBERS: "Oh."] For goodness' sake, that is hardly a revelation—I have said it at least six times. Whether or not amendment No. 28 is accepted this evening, we shall vote against clause 23, because the Government are employing the wrong approach. Even at this late stage, we hope that a consensus is reached in this House rather than in another place in order to find a way to produce acceptable, effective and appropriate defences against terrorism.

The Secretary of State for the Home Department (Mr. Charles Clarke): I hope that it will help the House if I set out the Government's attitude to the amendments and new clauses in this group before the debate concludes.

On amendment No. 9, I want to express my appreciation to Conservative Front Benchers for spotting a typographical error and correcting it. In the spirit of consensus that orients everything that we do, we urge the House to accept amendment No. 9.

It is worth setting out the background to amendment No. 8, which I am glad the hon. Member for Beaconsfield (Mr. Grieve) has acknowledged is a probing amendment. Both the police and the Crown Prosecution Service have suggested that it should be possible for Crown prosecutors or their territorial equivalents to make such applications, because in complex terrorist cases the prosecutor will be closely involved from an early stage. The prosecutor will advise the police on which evidence might be useful in court and which might not, and will work with the police in determining which leads might be the most profitable to follow up. Crucially, the prosecutor will also confer closely with the police on the question of when there is sufficient evidence to justify bringing a charge. So the prosecutor will be very familiar with the case and well placed to make an application to the judge for extended detention. I hope that on that basis the hon. Gentleman will consider withdrawing his probing amendment.

On amendments Nos. 12 and 13, I want to make it clear that the purpose of clause 24 is not to change things but to put beyond doubt what had until recently been believed to be the case. The position was thrown into doubt by an application for judicial review decision case in Northern Ireland. In that case, an individual was being held while DNA samples were being analysed, and he challenged the legality of his continued detention. He was released on the advice of senior Crown counsel. Prior to that, it had been thought that continued detention for such a purpose was lawful—that remains the view on the mainland—but we want to put the matter beyond doubt. Clause 24 therefore sets out the grounds on which a person may be detained. Again, I hope that in the light of that explanation the hon. Member for Beaconsfield will withdraw his probing amendment.

I now turn to the substance of the debate—the relationship between the length of pre-charge detention and the protections and safeguards that are in place.

[Mr. Charles Clarke]

In this context, I want to comment on Lord Carlile's report to express appreciation for his approach in conducting it and to indicate our attitude on several of the proposals that have been made, which overlap with some of the amendments.

Amendments Nos. 10 and 11 suggest that the extension of somebody's period of detention could be dealt with in a more flexible way. There is force in those arguments, and we are prepared to consider that with a view to coming back on Report with an agreed way forward on the matter.

On the level of the judge who takes the decision, we support Lord Carlile's proposals, as I said on Second Reading. That is the subject of amendments Nos. 29, 30, 31, 32 and 16. We are ready to table an amendment and intend to do so on Report. I take very seriously the point made by the hon. Member for Stone (Mr. Cash). It is important that the judge is a specialist in this field. We shall ensure that the hon. Gentleman's comments are taken into account in the proposal that we make on Report. On the general range of issues involved in this matter, I can give the House the assurances that have been sought from me in a variety of ways.

Keith Vaz: As the Home Secretary knows, before this debate the Attorney-General expressed concerns about these issues. Has the Home Secretary had an opportunity to speak to him, or to other Law Officers, to reassure him?

Mr. Clarke: The Attorney-General can speak for himself, but yes, I have spoken about this to the Law Officers, including the Attorney-General. His view is that the changes that I am suggesting we table on Report will go a long way towards meeting any of the concerns of those in the legal system and in this House.

On amendment No. 17, which deals with the relevant PACE—Police and Criminal Evidence Act 1984—code, I understand the points that are being made, and I am again prepared to say that we are ready to come back to the House with a solution that will deal with this in an effective way. We acknowledge that the concerns raised by Opposition Front Benchers are genuine, and it is our job to try to deal with them. That is not as straightforward as it might sound, because it is a question of precisely which PACE code would operate, but I am prepared to give an assurance that we will consider the issues that have been raised.

Mr. Grieve: I hope that the Home Secretary does not think that I am being churlish, but I feel bound to ask him why, in view of the fact that these issues were well ventilated before today, they were not included in the Bill when it was first published. *[Interruption.]* After all, the Home Secretary had a draft Bill that came in for a considerable amount of criticism. The Committee is a late stage in the passage of a Bill to give assurances about what will happen. Can the Home Secretary assure us that all this will be in place for the Report stage next Wednesday?

Mr. Clarke: I hate to say that my hon. Friends, in accusing the hon. Gentleman of being churlish, are being churlish themselves, but perhaps I can be churlish in return by saying that we have said from the outset, as the right hon. Member for Haltemprice and Howden (David Davis) knows well, that we are ready to debate those questions in the round. As a number of colleagues on both sides of the House have recognised, there is a relationship between the safeguards and protections that are thought to exist and the length of time that should apply. I will not say that it is a trade-off—that is not quite the right way to put it—but there is a relationship in how they are all taken forward. That is why I am taking this opportunity to set out the Government's position in what I hope is a holistic way. We can thus see how things relate to one another in the proper way.

Mr. Kenneth Clarke: The Home Secretary gave us an insight into the opinion of the Attorney-General, who has been reported as expressing grave reservations, but the Home Secretary said that the Attorney-General is now of the view that some of the present shape of the Bill goes a long way towards meeting judicial concerns. Is that a full and rounded picture of the Attorney-General's current position? The Bill may have gone a long way, but is he satisfied that what is before us is likely to comply with our human rights obligations?

Mr. Charles Clarke: The Attorney-General is completely satisfied on that point, and it is precisely because he is that I could put a certificate on the Bill.

Mr. Grieve *rose—*

Mr. Clarke: I shall give way again in a moment.

I was saying that I was prepared to look at the points raised in amendments Nos. 10, 11, 29, 30, 31, 32, 16 and 17 and at ways of coming back on Report with the changes that are needed. To be candid, I should like to do that on the basis of consensus in the House, a point to which I shall return in a second.

I want to make some observations about Lord Carlile's criticisms, which came into the discussion. In paragraph 61 of his report, Lord Carlile said:

> "I am satisfied beyond doubt that there have been situations in which significant conspiracies to commit terrorist acts have gone unprosecuted as a result of the time limitations placed on the control authorities following arrest."

I hope that the Liberal Democrats will think carefully about those remarks when they decide to vote against clause stand part.

In paragraph 111 of the report, Lord Carlile stated:

> "I regard the current proposals . . . as providing a set of useful and necessary additions to the law to counter terrorism."

I want quickly to go through Lord Carlile's criticisms of the procedures.

The first was that clause 5, which deals with acts preparatory to terrorism, is too narrow and does not cover facilitation offences. We believe that those offences are already covered by existing law and we shall discuss that with Lord Carlile. On clause 6, he argues that "training for terrorism" is too wide and should not

have worldwide extent. We do not agree; without its wide geographical scope the clause would have little point, as most terrorist training takes place abroad.

Lord Carlile questions the necessity for clause 8—"Attendance at a place used for training"—as there will be offences of giving and receiving terrorist training. We want clause 8 to deal with that issue, because we want to cover all those who attend terrorist training camps and to avoid people being able to claim that they were there only in a journalistic or humanitarian capacity.

Lord Carlile raised five points sharply about clause 23, which we are currently debating. The first was that pre-charge detention beyond 14 days should be authorised by a senior circuit judge, with appeal to a High Court judge. I have acknowledged that, and agreed as early as Second Reading that we would take steps to implement that recommendation.

The second point was that there should be an opportunity for a defendant to make representations against continued detention, with oral hearings at the discretion of the judge. That process happens already, but if clarity is needed to show that it happens we shall be prepared to offer it.

Thirdly, Lord Carlile said that there should be weekly decisions about extensions of detention, with reasons given in writing. The Bill already provides for weekly decisions, although I have to add the qualification that I have just made in response to amendments Nos. 10 and 11: reasons are given, although not normally in writing. It would be possible to require that, but the reasons could be only that the test in the legislation was satisfied. We are ready to consider that, although we do not believe that it is necessary.

6.15 pm

We have more difficulty with Lord Carlile's recommendation that the judge should supervise the investigations and require specific lines of inquiry to be pursued. Amendments Nos. 92 and 93 deal with that. That would effectively introduce the continental system of investigating magistrates. As I have said in the House and elsewhere, I personally have sympathy with that approach, especially in some cases. However, there is currently no consensus about such a dramatic change in our legal system. It would not be sustainable for us to try to legislate to that effect. That is a difference of opinion with Lord Carlile, not on principle—I am sympathetic to his position—but because the reform is so substantial compared with how we have done things in the past that we could not simply introduce it in the Bill.

Lord Carlile's final point is that special advocates should be able to see all the intelligence material, make representations on behalf of the detained and advise the judge. That follows on from the recommendation to introduce investigating magistrates. Without them, there is no need to "advise the judge". The detained person is already entitled to legal representation, so it is difficult to understand precisely what special advocates would add. Again, I am prepared to consider that if there is a way of dealing with the point directly.

Mr. Cash *rose—*

Mr. Clarke: I have heard the hon. Member for Stone (Mr. Cash).

I have dealt with the general points about protections and safeguards before tackling the specific points about time.

Mr. Grieve: I hope that the Home Secretary will forgive me if I seek clarification of something that he has already tried to explain. Will he concede the principle that the judge should be able to say that detention should not simply be for another seven days but should be able to require a return in 48 or 72 hours if he believes that that shorter period is appropriate? Is the Home Secretary prepared to include that in the Bill?

Mr. Clarke: I am prepared to discuss doing precisely that with the hon. Gentleman and other colleagues. There is an advantage to what he suggests. He is right to highlight giving more flexibility to judges to decide how to supervise the process. The fact that the time period is under judicial supervision is not highlighted enough. We are now suggesting that it should be supervised by a High Court judge. That is an important part of the process, which should reassure some who have been worried. To avoid doubt, I stress that the police perceive judicial supervision to be important. If colleagues read the evidence that the police gave to the Joint Committee on Human Rights, they will find that the police set out the advantages of that process for an investigation.

Mr. Heath: I am especially grateful that the Home Secretary went through all that Lord Carlile had to say instead of cherry-picking, which is unhelpful to both sides of the argument. He said that he agreed with some recommendations but not others—we are in the same position.

I wish to make two points. First, the proposal for judicial supervision of an investigation is a substantial judicial innovation, but no greater than 90 days of detention without charge. Secondly, I ask the Home Secretary to be fair in acknowledging that Lord Carlile said that some cases had not been successfully prosecuted in the absence of the new offences that the Bill introduces. They provide new opportunities for prosecutors to bring people before a court.

Mr, Clarke: They do, and the hon. Gentleman is right that Lord Carlile's report was produced before the Bill was published. Nevertheless, the core question remains: is there an ability to charge? Earlier, the hon. Gentleman cited the encryption cases and outlined his concerns about them. I can do no better than quote from the speech that the hon. Member for Belfast, East (Mr. Robinson), who is in his place, made on Second Reading. On encryption, he said:

> "The reality might be different. Three people might be responsible for what was intended to be a series of suicide bombings, two of whom might have given up their lives in the process. Those two might be the ones responsible for the encryption, and no matter what legal redress one might have against the remaining person, he could not decode the files even if he wanted to."—[*Official Report*, 26 October 2005; Vol. 438, c. 388.]

The point that I am making in quoting the hon. Gentleman is that I agree that the number of times on which any pre-trial detention would be needed would be

[Mr. Clarke]

narrowed, but the circumstances might still exist in which we were unable to bring charges, even in relation to lower-level terrorist charges.

Mr. Cash: As the Home Secretary knows from discussions that we have had on this matter, the question of the Human Rights Act 1998 has been raised by my right hon. and learned Friend the Member for Rushcliffe (Mr. Clarke), by the hon. Member for Somerton and Frome (Mr. Heath) and by Lord Carlile. My new clause 3 would disapply the Act for this purpose. Let us consider the possibility of our getting a 90-day limit—the Home Secretary knows that I have considerable sympathy with the proposals relating to the upper limits—but of the matter then being referred to the courts. I think that the Home Secretary is being a little optimistic, given that Lord Carlile's report—which the hon. Member for Somerton and Frome did not mention—specifically states:

"I question whether what is proposed in the Bill would be proof to challenge under the Human Rights Act".

I am sure that the Home Secretary realises that there would be a serious problem involving huge delays if there were to be such a challenge in the courts and, irrespective of what he says about the Attorney-General's view, the provisions were to be struck down. We would lose a vast amount of time and place the public at serious risk if there were a successful challenge.

Mr. Clarke: I appreciate the hon. Gentleman's general support for our proposals. However, I would not advise the House to accept his new clause, because it would not be correct for us to suspend the operation of the European convention on human rights in this context. He has asked a series of hypothetical questions about what might happen if cases were taken to the European Court. Of course, everyone will have a different opinion on that, and he is right to cite what Lord Carlile has said. My duty before the House is to say explicitly that I have given the Bill its certificate based on advice that I received, including that of the Attorney-General, that it was compliant with the European convention. That is the basis on which I operate.

On the question of safeguards, I am always ready to look at review procedures, sunset clauses and so on, but I do not hold out a great deal of hope that that will be the path to resolving the issues that have been raised. They are genuine issues, and this brings me to the points raised by my hon. Friend the Member for Walsall, North (Mr. Winnick). I want to pay respect to the way in which he has conducted his discussions on the Bill. I can reveal to the House that we have had private discussions on it, and that my hon. Friend is absolutely principled in what he is saying. He has put forward his views consistently, and with no spirit of political intrigue or anything of that kind. He approaches the matter in an entirely proper way.

My hon. Friend raised an important additional point, which I also mentioned on Second Reading, as did the hon. Member for Somerton and Frome. It is very important that the elected Chamber should try to reach consensus on this matter. There are a range of different opinions in this complex matrix of issues about lengths of time and about safeguards, and I completely agree that that is the approach that we should try to take. Why do I say that? Not simply because it is politically more convenient, but because it is very important indeed that this democratic House should speak to the nation in a direct way when dealing with terrorism. It is difficult for us to reach agreement, because there are genuine differences of opinion, but my starting point is that we should try to do so, and that is what I want to do. It is critically important for right hon. and hon. Members to talk to their constituents and their communities. My hon. Friend's concerns about the alienation of the community are real ones, and they have been echoed by other hon. Members. We need to address them with our constituents in the best possible way.

My only cavil with my hon. Friend's remarks is that I think that he traduces the police a little when he suggests that they have not proposed the 90-day period in a considered way, and that my ministerial colleagues and I have not considered the police's proposal in a serious way. I certainly have, and I and my ministerial colleagues right across the Government have tried to analyse carefully what has happened. The police have given the best of their professional advice. That is what they should do. That is how they operate, and that is their responsibility. That is what they have done, and the suggestion that they have not operated in a professional way is not right.

Mr. Michael Mates (East Hampshire) (Con): Many Members have said that the police are alone in wanting this extension, but the Minister for Policing, Security and Community Safety made a remark some days ago indicating that more than the police within the security apparatus are involved in that. Can the Home Secretary help us on that point?

Mr. Clarke: The police believe that 90 days is right, and the Crown Prosecution Service believes that 90 days is right, for the very detailed reasons that I gave in an answer a moment ago. The security services believe that an extension is right and support the recommendation that 90 days is right, but they do not believe that they are professionally competent to judge whether 90 days is right compared with other times. That issue led to confusion in discussing those matters, not least in front of the right hon. Gentleman's Committee, the Intelligence and Security Committee, but the whole of the services involved in this support the police position.

However, it is the police and the CPS that have the responsibility for conducting these situations. Therefore, all other services have said, "While we support the case for change in general from what we have seen, and while we support the particular police proposal of 90 days, we think that that particular proposal comes from their policing and prosecutorial experience."

Mr. Carmichael: I am grateful to the Home Secretary for giving way. He has told us that the CPS in England and Wales supports 90 days. What view has he obtained from the Lord Advocate and the Procurator Fiscal Service in Scotland?

Mr. Clarke: I believe that that is their position as well, but I must not mislead the House. I have focused more, in a way that the hon. Gentleman will think outrageous, on the position of the CPS, but I commit to write to him with clarity on that point as he has just raised it with me.

Mr. John Redwood (Wokingham) (Con): I am grateful to the Home Secretary, who is being very generous in giving way. If this provision went through and someone were detained for 90 days and then released due to insufficient or no evidence to bring a prosecution, should they, or would they, have any right of redress if they had lost their job or experienced substantial loss of earnings or other inconvenience?

Mr. Clarke: Not under these proposals. However—again, I emphasise the point, because it was raised with me by the Home Affairs Committee—we are ready to look at that if positive proposals are made in this area. But I must say again, and emphasise it very strongly, that we are talking about a tiny number of cases under very deep judicial scrutiny throughout the whole process that operates here. That point was made in interventions earlier, and it is the key point.

The position of my hon. Friend the Member for Walsall, North is clear and his point was well put. In this serious matter, all of us—every single Member, accountable to their own electorate and constituents—has to weigh the relationship between the operational and professional advice we have had from the police and prosecutors, which takes a certain direction; the issues of principle, which motivate many of us in different ways, and possibly in ways that will be different for different people in the way that they operate; the safeguards that I say I am ready to talk about in respect of how we move forward; and, of course, the issues of politics.

Politics should not be too much a part of this. It is always part of what we do, by definition, and it is a great thing—*[Interruption.]* There is nothing wrong with that; I very much agree. We are in politics, and it is a worthy and noble life. That is what we should do. I hope that the politics here is the fundamental elected representational politics of the relationship between us—all of us, from whatever party—and our communities and the people we have to deal with. I hope that people will talk to their own communities about these issues as the Bill goes through the House.

The crux of the matter is the issue of the maximum period for which it should be possible to detain a person. As the Committee will be well aware, the Bill extends the maximum duration for which a terrorist suspect may be detained prior to charge from 14 days to three months. I emphasise that the Government believe, and I believe, contrary to some assertions, that there is a compelling case—the word "compelling" was one used by the hon. Member for Winchester (Mr. Oaten) on Second Reading—which is strongly supported by the police, for change in the interest of offering the best possible protection for the people of this country.

At the service yesterday in St. Paul's, I talked to people who suffered from the bombs in London. I can tell the Committee that they want protection so that this kind of thing does not happen again. We all want that, but we have to think how to do it. That is why the police, by the way, have come to their view. They are thinking, "How can we do it? What should we do? How should we address this going forward?" That is why they have made the proposal.

I remind the Committee that the factors in consideration include the need to intervene early in terrorist cases; the complex and international nature of the networks; the volume of material; and the increasing use of technology such as encryption and computers. The case for an extension was set out clearly some considerable time ago, and we have published it fully.

6.30 pm

Despite what the hon. Member for Somerton and Frome (Mr. Heath) said about the clause stand part debate, I believe that there is now widespread recognition in the House that an increase beyond 14 days is necessary. I pay tribute to my hon. Friend the Member for Walsall, North for acknowledging that in his amendment. There is also a growing understanding, although I know that the Liberal Democrats in particular do not accept it, that the alternative solutions put forward do not solve the problems. We must face up to the time issue in a direct way.

I acknowledge, however, that the House has not reached a consensus on the Government's proposal to increase the maximum period to three months. My view is that we ought to seek consensus because we need the strength of a consensus decision, as I have described. I regard the police case as persuasive—I think that it is the right case—but I must also acknowledge the fact that many people have expressed strong reservations.

My view is that the issues should be resolved in the House. My proposal, which I ask my hon. Friend the Member for Walsall, North to accept if he is ready to do so, is that we engage in urgent discussions with colleagues on both sides of the House to see whether we can reach consensus on a figure of more than 14 days. On that basis, we would bring forward a Government amendment on Report containing whatever that agreed figure was. Of course, if agreement could not be reached, the amendments now before the House could also be tabled on Report for debate.

In the trade-off between the protections and safeguards that I described and the length of time, however, I believe that genuine discussion across the House is beneficial. I do that in a spirit of flexibility and openness. I also believe that all Members would benefit from another week to discuss the issues with constituents, local police, local community organisations, and perhaps the mosques in a given constituency. Parliament will do its job better if those discussions take place.

Mr. Winnick: I am grateful for what my right hon. Friend has said. There is undoubtedly an argument to resolve the issue tonight on 28 days. At the moment, because of the Government's position, I doubt whether there is a majority for 28 days. Therefore, on the basis that the Home Secretary will put forward a figure of substantially less than 90 days on Report, there is a case for allowing the matter to go forward to Report and then to table amendments accordingly. I emphasise again, however, that if it is a question of 90 days being dropped, and of 80 or 75 days being put forward, that is

[Mr. Winnick]

totally unacceptable. If we are to get a consensus, my view is that 28 days is the preferred figure. My right hon. Friend can always come back to the House later, perhaps in 12 months, and say that it is essential to increase the period, and we can consider the matter then. On that basis, I would be willing not to press my amendment.

Mr. Clarke: I very much appreciate my hon. Friend's approach. To give him the assurance that I think that he seeks, however, it is my view and the Government's entirely genuine view that we need to seek this consensus and get an agreement to deal with these various matters. I hope that colleagues will reflect on what he has said when they consider what to do later this evening. I assure the House that we will continue the discussions.

On that basis, I have now set out the Government's view on all the issues. I ask the House to accept amendment No. 9 and invite those in whose names the remaining amendments and new clauses in the group stand to withdraw them.

Mr. Mates: The whole House will have been impressed by the Home Secretary's flexibility. To give credit where credit is due, he is clearly listening to many people's concerns. I am torn between my instinct to support the objections to the Bill that my hon. Friend the Member for Beaconsfield (Mr. Grieve) has put with great clarity and force, and my experience and knowledge, which pull me in the other direction.

We have heard a lot of talk from a lot of Members, all of whom have a little bit of knowledge about computers or encryption, this or that. If I may proffer some advice, a little knowledge is a very dangerous thing. It is not one issue or another that has led not just the police but—I am glad to have had the Home Secretary's confirmation—the security services to the unanimous view of all those who work in this area that an extension of time is needed, and that it is up to the police to suggest what that period should be.

What we are discussing, in a vastly more technological age and in the face of a threat to the country that is completely different from any it has experienced in the past from, for instance, the Irish—an entirely international threat, with no boundaries recognised—is the turning of intelligence that can be gathered into evidence that can be used to prosecute. Trying to achieve that strikes me as not a libertarian but a practical issue. If it now takes longer, because the process is so much more complex, to produce from intelligence evidence on the basis of which a person can be charged and convicted properly in court, that seems to me a perfectly reasonable way to proceed.

I hope that in the discussions that the Home Secretary has told us he will have with our Front Bench, the Liberal Democrat Front Bench and all who have expressed an interest, he will be able to pray in aid some of the reasons why the security forces feel as strongly as they do. I know that they are reluctant to divulge their reasons, but perhaps we could be given some indication.

When citizens' lives are at stake, Members must think very carefully before rejecting the advice of professionals who have all the facts at their disposal, and who make honest and straightforward recommendations to the Government of the day, using professional knowledge and expertise that we, inevitably, cannot share.

Emily Thornberry: I must begin by declaring an interest. I practised for 20 years as a criminal defence barrister in the chambers of Mike Mansfield, I am married to a lawyer, and my mother-in-law was a magistrate who served the east end for some 20 years. More important, however, I represent an area that lost 12 people on 7 July. Many more were injured, and many, many more were very frightened by what happened.

I am grateful for the opportunity to explain why, despite what I am sure my constituents would, on the whole, want me to do, I cannot give wholehearted support to the Bill. I have grave reservations about the idea of locking people up for 90 days when there is not sufficient evidence on which to charge them. I was glad to hear from the Home Secretary that he would listen to us, and consider what constitutes a proper amount of time. Personally, I do not think that people should be locked up for 14 days without being charged, let alone 28 days, but compromise is essential. We must reach a consensus, which is why I attached my name to the amendment proposing a 28-day period of detention.

I do not think it would be in the interests of my constituents for the Bill to proceed in its present form because I genuinely do not believe that it would make my constituency any safer. The way to make a constituency safer is to hold its communities tight and close. That would make the constituency healthier and a better place in which to live, but it would also make it safer, because it would enable us to trust each other. We can give information to the police when members of our communities are threatening us. If we separate our communities so that we cannot trust each other, we will not make them any safer.

Our criminal justice system is based on the idea that we can—and do—make mistakes. Experience from my chambers—which dealt with the cases of the Birmingham Six, the Guildford Four and Stephen Lawrence—demonstrates that it can make mistakes. What concerns me deeply is the possibility that some scared, innocent Muslim teenager will be arrested on the say-so of someone else and a police officer's hunch, and locked up for 90 days. If that teenager is then released and returns to City and Islington college, what will others in the college have to say about British justice, and to what extent will we be divided among ourselves?

We are all trying to do the right thing. We are all coming from the same direction. I know that throughout the summer the Home Secretary and many of his Ministers have worked hard, as have many members of my party, to ensure that we work with our communities, but if we make a mistake we may end up divided.

I also speak as a member of the Anglo-Irish community. I was too young at the time to have any memory of internment—I am not suggesting that this provision is anything like internment—but we have a collective memory and we have to learn from our experiences. When I was a teenager, I certainly felt that an unfair law was being directed at families such as mine. As a result, we were not quite needed or wanted.

We were marginalised by such legislation, and I am deeply concerned that this Bill might be seen as a direct attack on our Muslim communities—on my constituents and their younger brothers and sons. That is why I have such concerns. It is wrong in principle to lock someone up for 90 days when there is not enough evidence to charge them; nor, to take a pragmatic approach, does it make us any safer.

I was elected less than six months ago. I was not elected to vote with the Tories, and I certainly was not elected to vote with the Liberal Democrats. I do not want to do that. I want to vote with my Government, and I want them to do the right thing. I am very glad to hear that they are thinking again about what the right thing to do is on this really important issue.

At the end of yesterday's service, which I attended with the Home Secretary, the Prime Minister and a number of other Members, prayers were said. One prayer was led by the Rev. Nicholas Wheeler, who ministered to the victims at King's Cross. His prayer, in which I joined, was:

"God of truth . . . we thank You for the women and men of the police and security services, who brought order out of chaos that dark day. Guide them as they endeavour to make London a secure place for all, in which law and liberty work together for peace. Receive our thanks and hear our prayer."

I know that the Home Secretary believes in that. I do, too, and I certainly hope that in this next week we can reach agreement, and that it is on a 28-day maximum.

Mr. Gummer: I am very pleased to follow the hon. Member for Islington, South and Finsbury (Emily Thornberry). I share her distaste at voting with the Liberals, but I am sorry that she happened to use this occasion to mention it. Those of us who have had the privilege of being in this House for as long as she doubtless will be recognise that when appalling things happen it is all too easy to move too far down a particular road in order to compensate for one's failure to handle the situation sufficiently early.—*[Interruption.]* Although what happened in London is wholly different from events such as those that led to the Dangerous Dogs Act 1991, or from the Marchioness disaster and the decisions taken after—*[Interruption.]*

The Chairman of Ways and Means (Sir Alan Haselhurst): Order. I do not want a conversation going on below the Gangway. It is disturbing the debate, which hon. Members should respect.

Mr. Gummer: On every such occasion, we sought to take action because public opinion demanded it, and because the circumstances were so peculiar a response was demanded of the kind that we would not normally accept. That is why I disagree with my right hon. Friend the Member for East Hampshire (Mr. Mates). This is a moment at which this House has to be very careful about taking at face value the good, sensible advice of those whose only commitment is to telling this House what they would in all circumstances most want. It is we who must strike the balance. It is we who must try to understand that it is not just about wishing to prevent this immediate terrorist outrage; we must also ensure that the community in which we live is less likely to support, even tacitly, terrorist activities. In that context, the Northern Irish parallel is vital. In the north of Ireland we have, on occasion—my party has been more guilty of this than any—made decisions on the basis of the immediate threat that have undermined our ability to deal with the longer-term threat, because whole communities have ceased to believe that the law is equally on their side. For me, that consideration meant that I had to vote against the Bill in its entirety.

6.45 pm

We will defeat terrorism in the end only when the communities within which the terrorist hides, or upon whose tacit support the terrorist depends, withdraw any scintilla of support. In this case, we start with a community that is determined to exclude the terrorist, and which knows that terrorism is not the way to respond, however strongly they may feel—and I share those strong feelings—about the way in which western nations have operated, particularly in the middle east.

Those of us who were against the war, and who are unhappy about the uneven-handed attitude, particularly of the United States, to Israel and Palestine, understand why those people should be concerned—and we are proud that our Muslim minority have stood firm against terrorism. I want to keep them there, and I think that we are more likely to do that if we extend the number of days for which people can be locked up without charge by as little as is necessary.

Apart from the appeal to "those who know"—an appeal that I have always found rather difficult to take—I have heard no good reason for extending the number of days at all. However, I too would be prepared to go for a compromise, so long as the period was as limited as possible. I hope that those on my party's Front Bench will not be led astray to move too far in the direction of the 90 days, because in the end every extra day for which an innocent person is held in prison without trial increases exponentially the possibility that that person will go back to his or her community and say, "This system does not work. It means that people like me have been held unnecessarily, when I am guiltless."

Finally, I say this to the Home Secretary: the difficulty for his case is the experience of the past year, when so few people have been held for the longer period, when those who have been held for that period have so rarely been charged, and when severe damage has already been done to community relations in the communities from which they come. I beg him to realise that the balance that is necessary must be one that takes strong account of the fact that, as the hon. Member for Islington, South and Finsbury said, we want to build within this country communities that differ but which share one thing—that the rule of law is established for all of us and protects us all equally. It must not be seen as something that affects some people in a way in which it does not affect the majority.

Mr. David Hamilton: The contribution made by my hon. Friend the Member for Walsall, North (Mr. Winnick) was extremely good, especially when he said that a certain Conservative even tried to send questions to the House of Commons from prison. I think that that was a former Member for South Midlothian—the last Conservative ever to represent my constituency.

I have one or two observations to make. I have grave reservations about the three-month lie down—or lock-up, as it should commonly be called. I come from

[Mr. David Hamilton]

a mining community, and the point that several hon. Members have made about community involvement is really important.

If the police begin to arrest certain members of the community who are not charged after a period of detention, that will infuriate the other members of the community. As I said earlier, there remain deep divisions and hostilities between miners and police in Scotland's mining areas. The police have had to work extremely hard in the 21 years since the miners' strike.

I may be the only hon. Member who has been locked up—*[Interruption.]* Perhaps that is not the case, but a provision exists in Scottish law called the 110-day petition, under which a person is held on remand. I am disappointed that the Home Secretary has not taken account of the Scottish approach, as I am worried about what happens when a person is detained without trial.

I was in prison for more than two months before my trial, when the jury—that is, the people—took only 25 minutes to find me innocent. I am therefore not a huge supporter of the great Scottish legal system, and I have grave concerns about it. However, the serious point is that it is bad enough for a person who is wrongly sent to prison and who then has to fight against the charge levelled at him: much worse is the problem faced by the person who is sent to prison without being told what the charge is. It is possible that such a person might leave prison without ever being charged, and that is intolerable. We must do all that we can to ensure that that does not happen in this case.

I do not want this Government to repeat the mistakes made by the Conservative Government of the 1980s. We must not become isolated from the communities in this country. We must work with the people in the communities and carry them with us. If one person is detained in prison without trial, under the circumstances envisaged by this Bill, that is one person too many.

It is possible that some hon. Members may not know what happens in prison. Every weekday, I was locked up for 21 hours out of the 24, and at weekends I was locked up for 23 hours. I could not leave the cell, but that is what happens to people who are awaiting trial and who are innocent. It is intolerable that the Government propose to put people in that position while they are waiting to be interrogated by the police, sometimes with representation and sometimes without.

I want to make one final appeal to the Home Secretary. He said that a mechanism would be established that would allow cases to be reviewed by a judge, whose seniority has yet to be decided. I have concerns about judges, and who will monitor the decisions that they take? Will the legislation be reviewed, say, in six months from now to ensure that we are not going down the wrong road? If too many people are being detained without trial, that will show that there must be a fault in the system. In that case, the provision should be brought back for discussion in this House.

Having set out those reservations, I look forward with interest to the comments that will made by hon. Members of all parties if the Government's proposal is accepted by the House.

Mr. Cash: I shall keep my remarks brief, because I know that other hon. Members wish to speak. My point goes back to my exchange with the Home Secretary. We hear now that the Attorney-General provided the basis on which the certificate of compatibility was granted. In the past, we have had opinions from the Attorney-General, but this matter is so important that we should be told on what basis the certificate of compatibility has been given. Lord Carlile of Berriew made a general point about whether the provisions would be challenged under the Human Rights Act 1998, but I believe strongly that any limit above 14 days would run a severe risk of being so challenged. Whether I agree with that upper limit or not, such a challenge is likely to be made.

Such a challenge could come in various shapes or forms, and I wish to know what the Attorney-General had to say on that. In particular, did he consider the possibility of a challenge not only under article 5—which is frequently mentioned and concerns deprivation of liberty—but article 3, some of which can be subject to derogation and some of which cannot? Did he consider article 10, which deals with freedom of expression? I could mention other counts on which a challenge could be made to the provisions of the Bill as it stands and any limit above 14 days is liable to be subject to such a challenge.

Chaos would result if the legislation were struck down, as the Belmarsh decision struck down the compatibility provisions in previous legislation. Lord Hoffmann, and eight out of nine Law Lords, spoke with great vehemence about the need to reverse the previous decision on the Belmarsh case on the ground of incompatibility. Only a short time earlier, Lord Hoffmann said in another case that, legislation, if clear and unambiguous, would be constitutionally acceptable even if it were inconsistent with the Human Rights Act 1998 and that the courts would have to follow the later legislation.

Irrespective of what the Home Secretary has said, if the Bill were to include the words suggested in my amendment that

"this Act shall take effect notwithstanding the Human Rights Act 1998",

the judges would be under an obligation to give effect to the legislation irrespective of what the European convention on human rights said and irrespective of the HRA. I appreciate that, in the past few months, the Home Secretary and the Prime Minister—and my right hon. Friends the Member for Haltemprice and Howden (David Davis) and the Leader of the Opposition—have all stated that, if necessary, they would repeal or amend the Human Rights Act 1998. That was actually in our manifesto. This is a practical example in which such considerations come into play. I wish to know whether the Home Secretary will keep open the idea of amending the Bill in the way that I have described, because only that will ensure that the provisions will stand up—if a time limit over 14 days is imposed—and will not be successfully challenged.

This is a serious matter. A huge amount of time and effort has been put into the proposals and it would be a waste if they were struck down by the Law Lords in such circumstances as I have described. It would also expose

the British public to considerable danger because, in the years that would elapse, it would be likely that people who should be detained would get away.

Keith Vaz: I wish to detain the Committee for only a few moments to raise just two points with my right hon. Friend the Home Secretary. At the start of the debate, I was much in favour of the amendment tabled by my hon. Friend the Member for Walsall, North (Mr. Winnick). I pay tribute to him and to my hon. Friend the Member for Islington, South and Finsbury (Emily Thornberry) for their contributions to the debate. I was pleased to hear what the Home Secretary had to say. I am glad that he will continue the discussions in the coming week, although I fear that we are merely putting off this particular debate for seven days.

7 pm

I wish my right hon. Friend to take note of two points in the coming seven days. First, the new laws will have a disproportionate effect on the Muslim community and the Asian community. I am not a Muslim, but 12,000 members of the Muslim faith live in my Leicester, East constituency. Although they have not written me letters, they have made representations to me regarding my discussions with them and their concern about the way in which the Government have reacted to the events of 7 July. Rightly, they condemn terrorism and the 7 July attacks, but there is concern about an apparent gap between what we decide here and the community outside the House. I welcome the Home Secretary's assurance that he intends to go out to the community to explain why the measures are needed, but it is important that he recognises that it is the Muslim community and the Asian community generally that will be most affected if the Bill is passed.

Only last week in Leicester, I was contacted by members of the Muslim community whose houses had been raided by the police, not under terrorism legislation, but under the Police and Criminal Evidence Act 1984. I contacted the police to find out why, but was not given an explanation sufficient to enable me to explain to those members of the community why that had happened. They said to me, "The powers are already there. Why are more needed?" It is not only up to Members of this House to explain to the community; the Government have a leading role to play in ensuring that that happens.

My second point is on the Attorney-General. I was concerned to read in newspapers about the Attorney-General's concerns about the proposals, specifically the one on detention for 90 days. The Home Secretary told the House that the Attorney-General believes that his proposals today go a long way to deal with the problem. The right hon. and learned Member for Rushcliffe (Mr. Clarke) asked the Home Secretary whether the Attorney-General was completely satisfied. I should like the Attorney-General's advice to be made available to the House. At the very least, a Law Officer should have been present for our debate. I accept that the Attorney-General cannot be here because he is a Member of the other House, but the Solicitor-General ought to have been here so that Members of this House could question him about the Law Officers' advice and whether the criticisms they made in the memorandum that was sent to the Prime Minister and copied to the Home Secretary have been met. It is not that I doubt my right hon. Friend the Home Secretary—I am sure that he was absolutely truthful.

It is also astonishing that no Minister from the Department for Constitutional Affairs is present to inform the House of the feelings of the judiciary.

Angus Robertson (Moray) (SNP): In that vein, does the hon. Gentleman agree that it is surprising that the Home Secretary does not seem to know the views on these important matters of the Lord Advocate or the Procurator Fiscal Service in Scotland?

Keith Vaz: To be fair to the Home Secretary, he made it clear in response to the intervention by the hon. Member for Orkney and Shetland (Mr. Carmichael) that he was focusing on the Crown Prosecution Service and the English situation, but he promised to answer those points. Of course, the advice of the Lord Advocate and the Procurator Fiscal Service is important to Scottish Members, but as an English Member—if I can call myself that, rather than a British Member representing a city in England—let me say to my right hon. Friend the Home Secretary that it is important that we hear the advice of the Law Officers. There are mutterings from the judiciary: we have already heard from Lord Steyn and former Law Lords. It is important that we get the whole view of the Government. I do not mind if that is represented by the Home Secretary's coming to the Dispatch Box, but he needs to come with that information to satisfy me and others who are still gravely concerned about what the Government are proposing.

Mr. Kenneth Clarke: I appreciate the helpful nature of the amendment tabled by the hon. Member for Walsall, North (Mr. Winnick) and the fact that the Home Secretary has been helpful in responding, saying that discussions will now take place, but having listened to the debate for some positive, decisive arguments one way or another about the precise time, I fear that no such arguments have arisen. If we are not careful, we will all be in a well-intentioned bargaining process.

A period of 28 days has been proposed by the hon. Member for Walsall, North, which I would vote for, because it is shorter than 90 days, but are the Government to come back with 50 days, intending to settle for 35? Is the House to be involved in the process? Will another range be tabled on Report? We are reduced to that. I accept that everybody is trying to do their best, including the police who have given the advice. The trouble is that the Committee does not want to be seen to be rejecting the police's advice following such serious allegations, but we have been given no concrete reasons why 90 days will be all right.

Having listened to the debate, I have come to the conclusion that there is no scientific explanation; these figures are being plucked from the air. We have been told a little about encryption, about which I know nothing, and about the complicated and international nature of these forms of crime but, as has been pointed out, there will be occasions when it might take 150 days to sort out some such process. We have always traditionally taken the risk of releasing people before we

[Mr. Kenneth Clarke]

have been able fully to unravel the evidence. We are being asked to make a totally arbitrary judgment in reaction to the latest advice.

If there is no certain scientific answer to help us, we must ask what we are doing to the process in carrying out such bargaining. What are we doing to some of the fundamentals of our criminal law on which we have always relied? We are in danger of doing serious damage. We keep bouncing up the period of time. As the hon. Member for Midlothian (Mr. Hamilton) startlingly reminded us, we are talking about people being locked up all day and, potentially, repeatedly interviewed for a very long time before they are released without charge because somebody finally realises that they have arrested a man of a similar name or have been misled by malicious information—and an innocent man is let free.

The basic process of English law has until very recently been that no one could be held for more than 48 hours without charge. That included holding people suspected of serious offences such as murder and arson, and those suspected of being dangerous and of having committed widespread crime. They could not be held unless they were charged and, once they were charged, the police could not carry on questioning them except under severe constraints. That was regarded as an important principle of our law.

Under the pressure of Irish terrorism, we went to seven days as recently as the Terrorism Act 2000. In 2003, we went to 14 days, and that came into effect only in January last year. The arguments put by the previous Minister of State in 2003 are exactly the same as today's. We were told that there were forensic difficulties and difficult cases, and that 14 days was required. Suddenly, since then, with no change in the concrete evidence, with no specific example before us and with nothing to say that things have become dramatically more complicated, we are whizzing up to 90 days. We are radically changing one of the fundamentals that we thought was a protection for the individual citizen in our criminal justice system, and we should not do that too lightly.

I agree with the hon. Member for Islington, South and Finsbury (Emily Thornberry). My first reservation rests on the terrible damage that will be done the first time that an innocent man has to be let free without charge after three months in prison. It is not internment, it is not the Birmingham Six, it is not the Guildford Four, but it will be serious, particularly if it happens a lot. That is what terrorists look for, because they exploit such injustices and make great use of them. I fear that the use of such measures will become routine. I am sure that the police will behave very well over the next two or three years and have regard to the sensitivity of the issue. The powers will be used in only a few serious cases. In five or 10 years' time, however, there will be many more cases. The composition of the House of Commons will have changed, and it will be concerned about a different kind of serious crime. It may argue that child rapists and other offenders can be held for 90 days.

The police will say that they should have such powers. Under the old system, they did not start to investigate someone at the point of arrest. The investigation team obtained most of the evidence before they arrested their suspect. They had 48 hours in which to interview him, and if they could not get anything out of him, they had to set him free. I predict that, in five or ten years, it will be routine for police to say, "We have a good tip-off that Mohammed is responsible. Bring him in, and we'll start investigating." After 90 days of repeated questioning and the removal of kit from the suspect's house, they will find that they have the wrong Mohammed. That poses a serious danger to provisions to protect us against terrorism and is an affront to our justice system. The Committee should argue that the period of detention has frequently been increased in recent times, including under the two most recent pieces of terrorism legislation, so it does not accept that there is a case for extending that period beyond 14 days.

John Battle (Leeds, West) (Lab): I have listened carefully to the debate. My right hon. Friend the Home Secretary invited us to reflect on the proposal from our constituents' perspective. I would like to say a few words from the perspective of the people of Leeds, a city that was shocked and traumatised by what happened in the summer. I agree with my hon. Friend the Member for Islington, South and Finsbury (Emily Thornberry), who said that, if we are to make our communities safe, we must build trust within them. Over the years, we have made a fair effort at that in Leeds, and there is generally good trust between all the communities in my constituency as we have tried to work together.

Encouragingly, having spent weeks in my constituency over the summer break, I have seen that trust built up and strengthened through the traumas that we have faced. Despite that trust, the events of the summer in Leeds came as a complete shock out of the blue. The community was unsighted and the events were totally unexpected. The families of the bombers themselves did not know that terror bombers were living in their midst. I am therefore a little surprised to hear Liberal Democrat Members and others say that nothing needs to change at all, because that is not the sentiment in my constituency. On the morning of 12 July, my right hon. Friend the Home Secretary alerted me to the fact that No. 12 Alexander grove—a house on the very edge of my constituency—would be raided by the police as it was a suspected bomb-making centre used by the London suicide bombers, whose homes were to be searched that morning. In the Burley Lodge area of Leeds, 420 of my constituents were immediately evacuated. The police knocked on their doors and told them that they had only a few minutes to leave because there was a dangerous bomb in the neighbourhood.

After many hours, the police forced an entry into the house in Alexander grove—it was feared that a bomb would be tripped and so on. The furniture had been removed, but they found a household bath full of chemicals. They had to work out the composition and combination of the chemicals and, crucially, those materials were of a different type from those used by previous bombers in Britain such as the IRA. The scenario was quite different, and it took more than 14 days to make the house safe with the help of chemists and other specialists before the forensic investigation could even begin. If a single suicide bomber had survived and been taken into custody, how on earth could the forensics have been completed in time to bring

a charge? I simply do not understand the rationale of people who hold fast to the 14-day limit and will not contemplate any movement whatsoever.

I pay tribute to the courage of the security services and the police. They had to manage the situation in the neighbourhood in extraordinarily difficult circumstances, keeping people away from their homes for two days and explaining to them to the best of their ability that they were trying to make the place safe. In my visits to the neighbourhood since they returned home and in the surgeries that I have held in the Burley Lodge centre, I have asked people how they see things. They tell me that the context has changed since 9/11 and since 7 July. They think that the international context has changed as well, with transnational terrorists who move across borders and operate in the new world of IT, international mobile phones, encryption and so on. They say they hope that Parliament will take more time, if necessary, to get it right, because what they need most of all is for their communities to be made safe for everyone.

7.15 pm

Mr. Grieve: I thank the Home Secretary for the statement that he made in his contribution, although I regret that the moves, particularly on procedure, could not have come earlier, especially as the criticisms were well known to the Home Office. Nevertheless, I welcome the fact that, even at this late stage, those moves were made and there was an offer to review the safeguards for any continuing detention. Moreover, if we are moving in that direction, as I mentioned earlier, we should think of extending that to the period beyond seven days, let alone 14 days. The Home Secretary may wish to consider that, as it relates specifically to terrorist offences.

I am mindful that, in the concessions that he made, the right hon. Gentleman covered most, if not all, the amendments that we had tabled both as probing amendments and to improve the safeguards in the Bill. For those reasons, I seek to press only amendment No. 9, which I understand is accepted. I am pleased that, in a small way, I may have contributed to achieving greater consensus throughout the House. I seek leave to withdraw amendment No. 8 which, as the Home Secretary rightly noted, was only a probing amendment.

That leaves the issue of the duration of any extended period. Again, it is with some regret that I see that, despite criticism from an enormous number of people across the spectrum, the movement by the Government has come only when the Government appeared to be facing defeat if they did not do something about it. I regret that because I had hoped that, in building consensus, we could do better.

If the Government are genuine in their desire to hold consultations with all parties in the House and will do so—the Home Secretary has given me an assurance privately behind the Speaker's Chair that that will take place within the next few days, so that it is not a last-minute matter on Tuesday night, and that all the amendments that are tabled will be given to us with proper time to consider them—the proper way of proceeding at this stage is for those consultations and talks to take place.

Mr. Winnick: It seems to me that if, in those consultations, the Conservatives and the Liberal Democrats hold on to 28 days, we will get 28 days.

Mr. Grieve: We have approached the matter from the position that we do not like any extension of 14 days. Our earlier willingness to support the hon. Gentleman's amendment, if it was pressed, was based, first, on the desire to reach a consensus with the Government if it were possible to maintain it, and secondly, on the belief that 28 days was not some trade-off or Dutch auction, but the outer limit of what is acceptable. I emphasise that to the Home Secretary. If he were to say 21 days, I would be a much happier man. We pitched the limit very precisely because we thought it the proper place to do so.

I would much prefer not to see this aspect of the legislation happening at all, but if it is to happen, and if the Government are sincere—I trust the Home Secretary in a way that I do not trust every Minister—we will work with the Home Secretary to try to achieve the consensus that he has always desired and to make sure that the legislation commands widespread support not only in this House, but in the country.

Mr. Heath: May I echo the hon. Gentleman's remarks about the helpfulness of the Home Secretary's comments? We have made a significant move forward—perhaps a greater concentration on the possibilities of consensus has been occasioned by the result of the earlier vote. The outcome is welcome, and let us move forward on that basis. I join the hon. Gentleman in feeling that, if the proposed discussions are a genuine attempt to establish consensus on this difficult issue, it is not appropriate for us to press our amendments this evening. I will not recommend to my hon. Friends that they vote against the clause standing part of the Bill, on the basis that we will return next week, when we will have an opportunity to make our points.

Mr. Grieve: I agree with the hon. Gentleman and beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Amendment made: No. 9, in clause 23, page 22, line 3, after 'to', insert 'a'.—*[Mr. Grieve.]*

Clause 23, as amended, ordered to stand part of the Bill.

Clause 24 ordered to stand part of the Bill.

Committee report progress; to sit again tomorrow.

PETITIONS

Council Tax

7.23 pm

Mr. Brooks Newmark (Braintree) (Con): I beg leave to present a petition, which forms part of the IsItFair council tax protest campaign, on behalf of nearly 400 of my constituents from Braintree, Witham and a number of surrounding villages.

The petition declares:

That the year-on-year, inflation-busting increases in Council Tax are causing hardship to many and take no account of ability to pay; further that the proposed property revaluation and re-banding exercise will make an already flawed system even worse.

The Petitioners therefore request that the House of Commons votes to replace Council Tax with a fair and equitable tax that,

without recourse to any supplementary benefit, takes into account ability to pay from disposable income. Such tax to be based on a system that is free from any geographical or politically motivated discrimination, and that clearly identifies the fiscal and managerial responsibilities of all involved parties.

And the Petitioners remain, etc.

To lie upon the Table.

Bromsgrove Station

7.24 pm

Miss Julie Kirkbride (Bromsgrove) (Con): I, too, beg leave to present a petition to the House of Commons. It states:

The petition of the commuting public of Bromsgrove declares that the train platform at Bromsgrove railway station is in urgent need of lengthening; that demand for commuting down to Worcester or into Birmingham from Bromsgrove has rapidly increased over recent years; that presently too few trains stop in peak hours to give commuters any real choice of services; that those which do stop are appallingly overcrowded as longer trains are forbidden from stopping due to the length of the platform; and draws attention to the recently published west midlands route utilisation study, which put the lengthening of the platform at Bromsgrove station as the top priority for rail infrastructure improvements in the entire region.

The Petitioners therefore request the House of Commons to call on the Department for Transport to now instruct Network Rail to start work on developing a scheme to deliver platform lengthening at Bromsgrove station so that commuters can look forward to a rapidly improved service.

And the Petitioners remain, etc.

To lie upon the Table.

Small Sub-Post Offices

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Cawsey.]*

7.25 pm

Miss Ann Widdecombe (Maidstone and The Weald) (Con): Let me say, Mr. Deputy Speaker, how grateful I am for the opportunity to raise this most important issue on the Adjournment. I am moved to do so because I have been approached by Mr. Gary Coyle, the sub-postmaster of Sutton Valence, which, as the Minister will not know, is a most picturesque village on the borders of my constituency. It was once in my constituency, and I was very sad to lose it.

Sutton Valence post office is well known in the local area because it is the centre of village life. When I first went to live in Sutton Valence 18 years ago, it had several shops. There was a baker, a village store, a newsagent, and of course the sub-post office; today, only the sub-post office remains. If it went out of business, there would be no natural hub of village life in Sutton Valence, and many vital services would not be provided. That is true in one Kentish village on the borders of my constituency, but it is also true of many sub-post offices in many other villages in my constituency and across the entire country.

The little sub-post office in Sutton Valence has survived while others have closed because Gary Coyle has been full of every last initiative. It has a flourishing retail business that sells everything from woolly jumpers to pencils; it has the lottery—I have bought my own tickets there many a time, some of them very successful—it takes in cleaning, because the nearest dry cleaners is a long way away; it takes in villagers' photographs to be processed; and it advertises, because if one wants to find an electrician in the village, one naturally goes to the post office to read the little postcards at the front.

I am sure that I am describing to the Minister a scene that he knows very well. However, that scene is seriously under threat. That is why Gary Coyle set up postmasternetwork.co.uk, which assists sub-postmasters all over the country in considering how they can diversify to prop up what is becoming an extremely difficult business to run. Why is it becoming so difficult? The Government are always to blame, of course, but on this occasion they must take a certain share of the blame, inasmuch as there has been a withdrawal of benefits paid through the post office because most pensions are now paid directly into bank accounts.

I have no objection to that. I am not saying that it is wrong or foolish, but merely that it must be acknowledged that it has had quite an impact on sub-post offices, particularly on little rural ones. Not only has the postmaster lost the commission that he would have got for distributing those benefits, but because people no longer go to the post office to collect their pension, or whatever it may be, they are not in there to buy other services. The throughput of customers has drastically decreased and most sub-postmasters cannot make a living simply from the revenue they receive from the post office.

There are lots of things that sub-postmasters could do, however, and lots of things that they would like to do. They are not being miserable and saying that there

is nothing they can do. They say, "There is plenty we can do. Why won't you, oh Government, via the Post Office, let us do it?"

Cash machines are an example. A cash machine is an enormous convenience, but never more so than in a rural area. The option is often a bank five miles or more away in the next town or big village. That is certainly the case for my constituents. The nearest cash machine is probably in Headcorn, which is four or five miles down the road. That is fine for people who have an automobile, or for people who go out to work and will be passing a cash machine anyway, but for the people about whom we should be ever more concerned—those who do not have transport and who live in villages to which public transport is extremely bad—the more conveniences they have on their doorstep, the better for them, and not just for the sub-postmaster.

Sub-post offices may not set up cash machines, however, and they have to obtain a special waiver from the Post Office to see through to completion the contract for any existing arrangements. That is bad for the sub-post office, because it takes from it the revenue it would receive from whoever supplies the cash machine, but it is also appallingly bad for people who live in the village and depend on the cash machine.

Some particularly enterprising sub-post offices would like to act as bureaux de change. After all, part of their raison d'être is handling money. They have security arrangements; they are used to all that type of thing and would love to act as bureaux de change. Come on, we are talking about Kent. We come out of the channel tunnel with our pockets bursting with euros so we want to go to the sub-post office to change them—*[Interruption.]* The Minister laughs, but why should not we change our euros at the sub-post office? Can somebody tell me? I do not know why, but the Post Office says, "No".

Then there is the choice of mail providers. The Government have instructed Postcomm, which is the mail regulator—although I do not need to tell the Minister that—to prepare the mail market "for competition". Fine. Sub-postmasters welcome that. "Yippee", they say, "we will now be able to offer our customers, to their benefit and ours, a choice of mail providers." People could take their packages to Sutton Valence and send them via the Royal Mail, TNT or someone else. No. That is not allowed either under Post Office rules. Sub-post offices can deal only with the Royal Mail. So much for preparing the market for competition.

The Post Office, due to its near-monopoly position, takes other unfair advantage of small sub-post offices. I have already mentioned one survival strategy for many of those little sub-post offices: the lottery. The Minister will know that shops supplying lottery services have to stay open well beyond core post office hours, yet the Post Office still takes 20 per cent. commission on all lottery tickets issued, despite the fact that sub-postmasters are carrying out that business in their own time. It is not as though sub-postmasters even make that much per ticket, but to pay 20 per cent. commission to the Post Office, which, I think, also owns 20 per cent. of Camelot, is extremely questionable.

Sub-postmasters are keen to advertise financial products, but they are not allowed to do that either, so they are losing yet more revenue. I do not suggest that they should give advice about financial problems—I can see the difficulty with that. I am talking about advertising and acting as an intermediary for financial products. Again, however, everything is loaded against small rural sub-post offices. If a sub-post office operates in a general store, such as Tesco, it can advertise Tesco financial services.

Tim Farron (Westmorland and Lonsdale) (LD): I had a meeting last Friday night in my constituency with nearly 20 sub-postmasters and mistresses and they expressed many of the concerns that the right hon. Lady is eloquently bringing to the House's attention. She spoke of the many roles that sub-post offices could take on but are not currently permitted to accept. Is she, like me, concerned about the failure of the Post Office and the Driver and Vehicle Licensing Agency to share out as widely and fairly as they could the option for people to get their tax discs renewed locally?

Miss Widdecombe: The hon. Gentleman makes an important point, which adds to the list that I gave. I am sure that other hon. Members could chip in with points of their own. Anybody who has a rural constituency knows that we are considering a big, big issue, which causes genuinely serious concerns to sub-postmasters, who worry about whether they can stay in business.

Because of the restrictive practices, the Association of Convenience Stores, supported by the postmaster network that I mentioned earlier, presented a complaint to the Office of Fair Trading. They requested that some of the restrictions in the Post Office contract should be withdrawn because they were deemed to be unfair. I agree with that. Consequently, a preliminary judgment has been made by the Office of Fair Trading. I understand the limitations that the Minister faces in responding, but I need to refer to the judgment to put it in context.

The OFT, which was tasked with examining the restrictions in the sub-postmaster contract, has ruled in its preliminary judgment that Post Office Ltd should continue to benefit from exclusions under certain prohibitions of the Competition Act 1988. The main ground for that is that Post Office Ltd provides services of general economic interest. The outcome of the definition combined with the judgment is that sub-post offices will be prevented in future from offering facilities to mail service providers other than the Royal Mail and from offering products and services across the network to replace the loss of previous Government business.

The position can only get worse if the Government do not show a genuine will to handle it. The Post Office currently circulates a contract, which it demands that sub-postmasters sign. The Minister will say that one is free to decide whether to sign a contract, but what are people to do if they do not sign it? They cannot operate if they do not sign it, so they lose their homes and their businesses. In many rural areas, postmasters of small post offices have mortgaged their private homes to keep the business going.

It is wrong that the Post Office, with all its power and its monopoly position, can squeeze out small operations, which may be modest but are the world to an awful lot of constituents.

7.38 pm

The Parliamentary Under-Secretary of State for Trade and Industry (Barry Gardiner): I have far too much respect for the right hon. Member for Maidstone and The Weald (Miss Widdecombe) to congratulate her, as is customary, on securing this evening's debate. She would not want praise for mere good fortune in the draw. However, perhaps she will allow me to congratulate her on choosing a topic that is at once so broad that every hon. Member will have an interest in it and so narrow, being the subject of an on-going complaint to the Office of Fair Trading that, as Minister, I am precluded from saying almost anything interesting about the specific matter she has raised.

As it is perhaps the only time this evening that I may be able to, let me expand on that by explaining that the restrictions in sub-postmasters' contracts with Post Office Ltd, which limit the extent to which certain services and products can be offered through a sub-postmaster's associated retail business, are the subject of the complaint that the Association of Convenience Stores made to the Office of Fair Trading, as the right hon. Lady outlined, in a letter dated 30 November last year. The Office of Fair Trading reached a provisional decision on 27 September this year to close its file on the matter, but invited the Association of Convenience Stores to make observations on its findings and provide any further relevant information before a final decision is reached. I understand that the Association of Convenience Stores has confirmed its intention to submit such further information, and that a deadline of 25 November has been set for that.

The unfortunate—or perhaps fortunate—effect of this is that, as the matter is effectively sub judice, it would be wholly inappropriate for me to comment in any way on this issue or that case. I can, however, comment on what I take to be the underlying concerns expressed by the right hon. Lady, which I share, in respect of two things. The first is that sub-postmasters should be properly remunerated for the work that they do, and assisted to run a commercial operation. The second is that the Post Office should seek to provide an improved service to people qua customers without imposing unsustainable losses on them qua taxpayers.

The future of the Post Office is an issue of relevance and concern to every Member of the House. We all share concerns for the future provision of services in our constituencies, and recognise that, until 1999, when the Government launched the £500 million investment fund for information technology, there had been underinvestment in the business for decades.

Advances in technology, greater mobility, and changes in shopping and financial habits have resulted in a growing proportion of people simply not using the post office as they did in the past, for many reasons. The right hon. Lady referred to the direct payment of benefits, and I wholly accept that that has had a major impact on the decline in volume. However, this is not just about the changes in benefit payment arrangements, which were completed in April. The decline started well before the move to direct payment, and applies not only to those payments but to a much wider range of services, including Girobank, National Savings transactions, telephone bill payments and postal orders.

For many reasons, custom has declined sharply across the network, and the right hon. Lady was right to point that out. If the Post Office is to thrive, it needs to change significantly. The Government want to see a post office network that can prosper on the basis of today's and future needs, not on the needs of 20 or 30 years ago. However, we also have to face up to present reality. The rural network is currently subsidised by £150 million a year—a total commitment of £750 million to 2008. The directly managed Crown offices lose £70 million a year, and the deprived urban network sustains a £40 million a year loss.

Several important steps to restructure and revitalise the post office have already been taken, but the future of the network rightly remains an issue of national debate, and it is clear that there are still major challenges to be faced.

Tim Farron: Will the Minister give way?

Barry Gardiner: Not at the moment, no.

Miss Widdecombe: Oh, go on.

Barry Gardiner: Oh, all right.

Tim Farron: I am grateful to the Minister for giving way, and even more grateful to the right hon. Lady for her intervention on my behalf.

The Minister has rightly pointed out that the Government will support the rural network to the tune of £150 million a year until 2008, but postmasters and postmistresses in my constituency are worried about what will happen after 2008. Many of them are considering whether they should retire now or later, and whether their business will be a viable going concern in the future.

Barry Gardiner: Of course they are, which is why the Government are considering carefully what to do at that point.

The post office network has been contracting since the 1960s. Between 1979 and 1997, Conservative Governments presided over 3,500 closures, and in all that time produced no policy on how to ensure that the network could continue to remain relevant into the 21st century. There have been reductions in post office usage, some of which were caused by the absence of investment. Above all, however, changes in lifestyle and habits mean that our constituents do not use the post office as much as they used to. This is fundamentally about ordinary people, our constituents, making choices about how they want to conduct their business.

Private business people run 96 per cent. of the nation's post offices. They have invested not only their own money into their businesses but also a great amount of care and effort to help the post office network to achieve its highly regarded status. But with declining profitability in the network as a whole, the viability of many individual offices has taken a severe knock. Decisive action, in the form of the urban reinvention programme, was taken to restructure a sector of the network in which there was extensive over-provision, with the aim of better matching supply to demand and of creating the viability necessary for a sustainable network for the future.

The Government committed £210 million to facilitate that restructuring, which took 2,500 offices out of the urban network, but ensured that 99.3 per cent. of people in urban areas still live within 1 mile of their nearest post office.

We now need to address the issues facing the social network of sub-post offices in rural and urban deprived areas. It is no longer clear that the needs of those communities or the most disadvantaged are best served by the current traditional, costly and inflexible structure. We need to find innovative and more cost-effective ways to deliver post office services, and we cannot ignore the fact that large numbers of rural offices have a tiny number of customers.

Indeed, earlier this year I had the opportunity to visit one such post office in the constituency of the right hon. Lady, as she knows, where there were, on average, fewer than 12 customers a day. That is not uncommon. The truth is that there are 800 offices averaging fewer than five customers a day and generating average losses of more than £6.50 per customer visit. That means that for every customer who pops in to buy a first-class stamp, Post Office Ltd. could give them a book of six stamps, a loaf of bread, a pint of milk, a bag of sugar, a packet of bacon and a big box of tea bags and still lose less money. I have the bill here to prove it.

Even in the busiest rural offices, the revenues to Post Office Ltd from transactions are less than the cost to it of providing the service. The Department of Trade and Industry, together with other Departments and the devolved Administrations, is assessing and analysing a range of financial, economic and demographic data on the rural and urban deprived sectors of the network to establish a clear picture of usage, transaction volumes and costs. In addition, Post Office Ltd is running a series of pilot trials of alternative innovative means of delivering services to rural communities.

The focus of those pilot trials is to test a range of alternative methods of delivering those services to smaller communities, in particular to explore different approaches to achieving acceptable standards of service from the traditional post office. With so many rural post offices now having a small customer base, it is essential to recognise that the rural network must have the flexibility to adapt to the changing needs and circumstances of the communities in which they are located.

In politics, we frequently expend our energy on the structure of the delivery mechanism rather than the quality of the service we are delivering. In recent years, we have all perhaps tended to focus too closely on the size of the network. The debate needs to move on. We need to focus much more clearly on provision of and reasonable access to post office services, paying particular attention to innovative methods of delivering them.

Research conducted for Postcomm shows that most customers quickly adapt to changes in service provision. The pilot trials that Post Office Ltd is conducting will give further useful insights into how best to deliver services and the fluidity and adaptability of people's behaviour where a "core and outreach" approach is offered. I will be particularly keen to see how we might be able to improve both quality and service and the number of people we can reach. In this, I shall want to compare provision of a fixed outlet in a small village serving only a few customers each day with an outreach or mobile service that can visit not only that village, but the five or six surrounding villages whose inhabitants travel to the nearest large town for their postal services.

Miss Widdecombe *rose—*

Barry Gardiner: I want to move on to some matters that the right hon. Lady will find helpful, but I shall give way briefly.

Miss Widdecombe: I am grateful to the Minister for giving way, particularly as he is so reluctant to do so. Does he not accept that more people would be likely to use the sub-post offices for postal services if they were also going there for other services such as cash, euros and so on?

Barry Gardiner: There has been a long tradition of local grocery stores, card shops and so forth also having a post office counter located within them. That has increased footfall for such stores, and that franchise arrangement has proved very satisfactory for those local traders. The right hon. Lady might agree that it is a strange franchise where one takes the most respected brand in the market, which the Post Office is, and uses it to generate footfall in one's own retail outlet, be it a grocery shop or a card store, but is paid for, rather than pays for, that franchise.

Postcomm, in its advice to Government on the future of the rural network, made 19 recommendations. The major strands of its advice were: that Government needed to clarify their primary reason for maintaining a physical network of offices, that they should end the policy of preventing avoidable closures in the network, and that alternative means of delivery should be introduced to ensure continued access to services, particularly for vulnerable groups. While Postcomm advised that its recommendations should be enacted in relation to the network from April 2006, the Government decided that more time was needed fully to understand the impact of the pilots being trialled by Post Office Ltd. before coming to any final decisions. Accordingly, a two-year extension of the annual support of £150 million, subject to state aid clearance, was announced in Parliament in September 2004. The Government want to be sure that we have considered all angles before taking a decision about the future of the network.

Postcomm recommended that the Government should clarify their primary reason for wanting to maintain a physical network of post offices. I completely agree that it is of fundamental importance that we have a clear vision for the network of tomorrow. Without it, the network is likely to contract in an unstructured way, hitting the most vulnerable groups in our society the hardest. If we do want to maintain a physical network, over and above that which Post Office Ltd would run commercially, we must be able to justify the high costs that that would incur.

Postcomm also recognised that it was becoming increasingly difficult to find suitable people interested in taking on full-time post offices when they came on to the market. That is why it recommended the removal of the policy to prevent all avoidable closures. As a result,

[Barry Gardiner]

we will review that policy in light of the pilot report. In the meantime, however, we have adapted the interpretation of the policy to allow Post Office Ltd more flexibility to retain service provision in a location without the absolute need for that always to be on the same basis as that in relation to the departing sub-postmaster or mistress.

Inevitably, however, there are post offices that cannot be retained no matter how much effort is put into finding a new sub-postmaster or sub-postmistress. Increasingly, that is likely to be more common. Rural post offices must be sustainable. At present, however, the number of customers is simply too small to make such businesses attractive. One customer every hour and a half might give a whole new meaning to the phrase, "an unhurried retail environment", but it is hardly an attractive business proposition. That said, we must not make the mistake of believing that this is a problem only for the smallest rural outlets with high fixed costs and low footfall. In all but 1 per cent. of the 8,000 rural offices across the country, it costs Post Office Ltd more to provide the service than it takes back over the counter. Post Office Ltd loses money on the other 99 per cent. of those rural post offices. That indicates clearly that this is not simply a structural matter of outlets and fixed costs but equally about contracts and variable costs.

That is why I am pleased to tell the House that Post Office Ltd has been working closely with the National Federation of Sub-Postmasters to move sub-postmasters' remuneration to a more transaction-based and commercially-oriented structure, with the fixed payment element much reduced. It is important that a mutually beneficial relationship continues to develop between Post Office Ltd and sub-postmasters and mistresses—a relationship that rewards delivery and thus incentivises a more commercial approach. The new contract has been implemented across the urban network, and in my view it will be important to maintain this impetus and to examine carefully the scope for further broadening the transaction-based contract structure to the rest of the network.

Post Office Ltd is at a key point in its development, particularly in relation to generating new income from the financial services and other products that it has recently launched. It has already had considerable success in showing customers that post offices are no longer simply places to visit to collect pensions or benefits, but now a good place to get foreign currency, ask about car insurance or top up credit on a mobile phone. All those services are being provided through Post Office Ltd. The company is working hard to build on that success, to ensure that post offices remain relevant and are not left behind in a rapidly changing marketplace. Looking ahead, the greatest uncertainty, I believe, is customer behaviour. It will be customers—our constituents—who largely dictate the future of the business.

Question put and agreed to.

Adjourned accordingly at five minutes to Eight o'clock.

House of Commons

Thursday 3 November 2005

The House met at half-past Ten o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

TRADE AND INDUSTRY

The Secretary of State was asked—

Energy Supplies

1. **Mr. Graham Stuart** (Beverley and Holderness) (Con): What discussions he has had with ministerial colleagues and others about the security of the UK's energy supply. [24334]

8. **Mr. Eric Illsley** (Barnsley, Central) (Lab): What assessment he has made of the level of UK gas supplies to industry for this winter. [24341]

The Secretary of State for Trade and Industry (Alan Johnson): My ministerial team and I have regular meetings about the security of the UK's energy supply, and particularly about the position for the forthcoming winter. We have also had discussions with a wide range of energy stakeholders. The gas market is likely to be tighter this year, compared with previous years, because of a larger than anticipated decline in North sea gas supplies. However, as Ofgem and National Grid have made clear, under normal weather conditions there are sufficient gas supplies and electricity generation to meet expected demand. Even in the severest of winters, their analysis shows that the market can maintain supplies. In all credible scenarios, energy supplies will be maintained for domestic customers.

Mr. Stuart: We are a net importer of gas, yet we have no strategic reserve. We have liberalised gas markets, yet we have stood by while continental countries artificially protect theirs. UK businesses and consumers pay higher prices as a result. What reassurances can the Secretary of State give my constituents at Electro Furnace Products in Saltend that their jobs are safe from gas cuts and artificial price hikes?

Alan Johnson: It is no good me giving answers if hon. Members do not listen to them. As Ofgem and National Grid have made clear, under normal weather conditions, there are sufficient gas supplies and electricity generation to meet expected demand. Their analysis shows that, even in the severest of winters, the market will be able to maintain supplies. In relation to the hon. Gentleman's first point, we have moved from being a net exporter of gas to being a net importer. We are just in that process. As a result, the market is responding. As I said in my answer, the supply of gas from the North sea has run down more quickly than anyone expected it to. Nevertheless, that is what we have banked as our storage. Just as the Netherlands and Norway have no storage capacity because they have large gas fields, we still have significant storage there. We have a whole series of measures coming in before the winter, and another whole series next year. I would say to Conservative Members that the market really is working.

Mr. Speaker: Mr. Eric Illsley is not here. I call Mr. Luff.

Peter Luff (Mid-Worcestershire) (Con): In his evidence to the Select Committee on Trade and Industry on Monday, the Minister for Energy confirmed that there would be a real risk of interruptions to supply for gas users this winter if, as the Met Office predicts, we have a colder than average winter. The Minister also said that he was prepared to consider certain exemptions, to maximise flexibility in the response to gas users, such as temporary exemptions from emissions regulations or from climate change regulations. Will the Secretary of State tell us what discussions he is having with industry and with his colleagues in the Government to bring forward those sensible proposals?

Alan Johnson: I was aware of the hearing that took place with the Minister for Energy earlier this week. I am not accusing the hon. Gentleman of scaremongering in any way, although there are plenty of others around who are scaremongering on this issue. My hon. Friend the Minister was describing what would happen if there were a one in 50 winter. That is not being predicted by the Met Office, but we have discussed with the energy intensive users group a range of measures that might need to be put in place in such circumstances. That, however, is a long way from frightening domestic customers by saying that they are going to have their supplies cut off.

On the hon. Gentleman's other point, he and his Committee have quite properly explored what would happen in an emergency, if there were a one in 50 winter, which we are not predicting at the moment. They have asked what measures would be in place to deal with such a situation. It was in that context that my hon. Friend the Minister talked about emissions, from chemical plants in particular. Such measures would need the authority of the Environment Agency, and no one would want to take such steps, even in the most extreme conditions. Nevertheless, the Government have to have contingency measures in place. The problem with talking about them is that we might give the impression that we are going to need them, but, as my answer has clearly demonstrated, and as the winter outlook report from National Grid and Ofgem shows, we do not expect to be in that situation this winter.

Mr. Speaker: Order. I have a duty to get through the Order Paper. May I ask the Secretary of State for briefer replies?

Mr. Dennis Skinner (Bolsover) (Lab): Is the Secretary of State aware that we do not need any lectures from the party that got rid of clean coal technology, shut the pits, and privatised our gas interests? What we do need is to ensure that in the forthcoming years—not just this one—we save what remains of the British coal industry, introduce the necessary clean coal technology, stop handing out large sums of money to UK Coal, which is using it for property development and shutting pits, and start a process such as the one at Tower colliery in Wales, where the miners themselves are able to produce the coal.

Mr. Speaker: Order. I am also looking for brief supplementary questions.

Alan Johnson: I agree with my hon. Friend about the record of the previous Government in respect of coal and the environmental damage left behind from the pits that they closed down. While I do not think that we will see the days of king coal again, coal is having a resurgence, and it will be a central feature of the energy review that my right hon. Friend the Prime Minister announced recently. On the final point, we are investing £25 million, as we announced recently, to develop new carbon abatement technology such as carbon capture and storage, so there are some exciting developments that were not around even in 2003 when we published our energy White Paper.

Mr. Tim Yeo (South Suffolk) (Con): Why do the Government continue to dither over nuclear power? Is it not clear to the Secretary of State that the long-term security of our energy supplies and the achievement of our environmental commitments depends on an early decision to commission a new generation of nuclear power stations?

Alan Johnson: Where I agree with the hon. Gentleman is on the point that a decision needs to be made soon on whether we go for new build or not. That must be seen in the context of the entire energy mix: energy renewal, security of supply and energy abatement. Those issues need to be considered together. That is why, rather than dithering, the Prime Minister has announced a comprehensive review, the details of which will be announced soon.

Mr. Anthony Wright (Great Yarmouth) (Lab): Whenever there is a threat of a shortage of anything, the price of that product invariably increases. In the unlikely event of a shortage in gas supply over the coming winter, will my right hon. Friend guarantee that we will not cease in our efforts to reduce fuel poverty? Over the past eight years, the fuel poverty strategy has taken 4 million people out of fuel poverty, and I fear that, if the price increases over the winter months because of shortage, more people will fall into it.

Alan Johnson: My hon. Friend is right to raise the issue: we have taken 4 million people out of fuel poverty, including 1 million of the most vulnerable. Now that gas prices have increased, because they are linked to oil prices, which have increased, we must redouble our efforts. We have recently announced a free helpline to provide people with advice on insulation and so on. We need to take other measures. The £200 winter fuel allowance this year—£300 for the over-80s—will be a welcome contribution to tackling those problems.

Norman Lamb (North Norfolk) (LD): The Secretary of State will be aware that National Grid estimates that large energy users would have to give up some 3.7 billion cu m of gas in the event of a repeat of the 1963 big freeze, unlikely though it might be, to keep gas flowing to the domestic sector. Is it not crazy that the Government are now contemplating an opt-out from the emissions trading scheme? Would it not have been better to have followed the advice of the International Energy Agency and many other experts in pursuing a much more vigorous assault on energy waste?

Alan Johnson: First, no one is predicting a 1963 winter—*[Interruption.]* I repeat that nobody, in the Met Office, is predicting that. Secondly, major users, to whom we talk all the time, and who have a serious problem—this is not to diminish that—in the event that we have severe weather conditions, have interruptible contracts. They sign those interruptible contracts on the basis that they would get a lower price, and they could, as they recognise, through energy efficiency, sell some of their supplies back on to the market and make a profit in a tight energy situation. I therefore believe that we have the right framework in place even if we have the most extreme winter conditions.

Paddy Tipping (Sherwood) (Lab): Does the Secretary of State accept that there is an element of scaremongering occurring? There is no question of domestic customers being cut off this year. Things might be tight for industrial consumers, but in the longer term will not new pipelines resolve the issue of gas supply?

Alan Johnson: My hon. Friend is right. We have doubled the capacity of the Belgian interconnector and introduced the new liquefied natural gas facility that has opened at the Isle of Grain in the Thames estuary. Other measures are being taken this year and more will be taken next year. On the scaremongering issue, one newspaper that puts lurid headlines above journalistic accuracy said that there would be a blackout. It quoted a guy called Jonathan Smith, the media relations manager of E. ON UK. He wrote to the newspaper. It did not publish the letter, but he copied it to me. It states:

"Throughout my conversations with your journalists I stressed that we at E.ON UK did not believe there would be any power and gas problems this winter . . . At no point during the course of the article"

is it said

"that E.ON UK does not believe that there will be power cuts this winter . . . The article as printed is simply not a true and accurate representation of the conversation that I had with your journalist and, as such, is unacceptable."

Mr. David Willetts (Havant) (Con): I am pleased to see that the Secretary of State is still here. I had half expected him to be sent back to the scene of his old triumphs in the Department for Work and Pensions.

Last week the Leader of the House was asked whether the Government could

"guarantee energy supplies to business and domestic consumers this winter".—*[Official Report*, 26 October 2005; Vol. 438, c. 299–300.]

The Leader of the House replied "Yes, they can". Will the Secretary of State repeat that guarantee today? If he cannot—and I suspect that he cannot—will he at least recognise that we need a clear contingency plan in case supplies are indeed interrupted this winter?

Alan Johnson: I thank the hon. Gentleman for his kind comments. I was looking forward to him becoming leader of his party, but now that he has hitched his star to Haltemprice and Howden—not Witney—perhaps it is not to be.

Let me deal with the hon. Gentleman's very serious point. At present, we have the extra capacity that I just mentioned. I could also have mentioned the new gas storage facility at Humbly Grove in Hampshire. In the unlikely event of severe winter conditions, we can switch from gas and electricity generation to coal generation. We have mothballed plant that we have made ready for use, at Didcot for coal, at Grain for oil and at Killingholme, where there is a combined cycle gas turbine. Moreover, as I said earlier, big users can reduce their energy demand and sell back to the grid. We do not expect any fuel supply problems this winter.

Mr. Willetts: I note that the Secretary of State did not repeat the guarantee that the Leader of the House gave during Prime Minister's Question Time last week. Many energy consumers will have noticed that.

I am pleased that we are making some progress this morning. We are beginning to hear about contingency plans being made in case this happens, although we all hope very much that it will not. May I press the Secretary of State further, however? What we need now is for him to publish an authoritative account of the steps that he will take if there is a threat to our energy supplies during a harsh winter, so that industry and business know where they stand. That is the least he can do.

Alan Johnson: The National Grid published its preliminary outlook in May. It published its final outlook last month. We share the wish for a debate on the Floor of the House that has been expressed by the hon. Gentleman and some of his hon. Friends. That has been dealt with by the usual channels, but we agree that the debate should take place here rather than in Westminster Hall. My hon. Friend the Minister for Energy is meeting intensive energy users and others daily, and the Trade and Industry Committee is conducting an important investigation.

We must not over-egg the pudding and cause people to become unnecessarily frightened. It would be entirely different if the Met Office were predicting a one in 50 winter and if the National Grid's report were predicting problems. That is not the case, and we therefore have an obligation not to scaremonger. The hon. Gentleman has no such obligation, and nor have any of his Front-Bench colleagues, but others have. We must ensure that such scaremongering is quashed by responsible behaviour in the House.

Energy Policy

2. **Mr. David S. Borrow** (South Ribble) (Lab): If he will instigate a public debate on United Kingdom energy policy. [24335]

The Secretary of State for Trade and Industry (Alan Johnson) *rose—*

Mr. Speaker: Order. The hon. Member for Salisbury (Robert Key) should not stare at me. I know that when he stands it means that he wants to be called. I will call him when I want to call him.

Alan Johnson: As the Prime Minister has announced, we will publish proposals on energy policy next year, embracing our continuing commitment to tackling climate change, preserving reliable supplies of energy and maintaining competitive markets. Public debate will play a key role in developing those policy proposals.

Mr. Borrow: A few weeks ago, I met civil engineers in the north-west, who recently produced an infrastructure report on the region. The report makes it clear that their biggest concern is the effect that phasing out nuclear power stations will have on energy supply in the north-west. Does my right hon. Friend agree that only if we can build public consensus on a long-term energy policy will we ensure that we take the right decisions? Without public support for that policy, it will founder.

Alan Johnson: My hon. Friend is right. In line with the commitment that we gave in the 2003 White Paper, if the result of the new review announced by the Prime Minister is that we should go down the nuclear new build route—that is a very big if, because factors such as waste and cost have to be taken into account—we will need to publish another White Paper and to have the widest possible consultation. A very healthy public debate is going on, but it is very different from that which took place even as recently as 2003 in terms of climate change and the need for security of supply. I hope that we can ensure a proper, comprehensive debate that examines the issues, instead of people taking stances based on, perhaps, an ideological viewpoint. Taking such stances will not help us to have the kind of debate that my hon. Friend and I want.

Robert Key (Salisbury) (Con): I am very grateful to you for calling me, Mr. Speaker. Your earlier admonition gives a whole new meaning to "catching your eye".

May I press the Secretary of State on nuclear energy? Does he share my view that public opinion is changing very rapidly and that the scaremongering of those opposed to nuclear energy is now receding? Does he further agree that, as people see their domestic energy bills rise sharply, and as their desire to see us meet Kyoto and beyond increases, they now understand that there is a serious debate to be had about the role of nuclear energy? After all, we are not that different from the French, and in France 83.4 per cent. of electricity is nuclear-generated.—*[Interruption.]*

Alan Johnson: My hon. Friend the Member for Croydon, North (Malcolm Wicks) points out that the hon. Gentleman is the first Conservative to admit that we are not that different from the French; however, I shall pass over that point. The hon. Gentleman is right. The public are aware of the issues and they are willing to engage in a constructive debate about them. I very much hope that we can have that debate. We need to ensure that we publish a White Paper that examines all the arguments and issues, such as waste, cost and renewable energy alternatives. If that is done properly, it will form the basis of a very constructive debate, regardless of the conclusion reached.

Mr. Eric Illsley (Barnsley, Central) (Lab): I apologise for not being in my place when my question was called a few moments ago. There was a time when, if a question was to be linked to another, the Department in question had the courtesy to inform the Member concerned.

Is my right hon. Friend satisfied that this country has enough gas reserves for industrial consumers this winter? Comparisons have been made with the rest of Europe, and some countries have up to 11 or 12 days of reserves, whereas we have only two or three days.

Alan Johnson: Our having only two or three days of gas supply is one of the myths being peddled. It does not take into account that very big storage tank called the North sea. All things being equal, we have some 77 days of gas supply that we can provide in the event of an emergency. I hope that we can reassure my hon. Friend's constituents that we are on top of this issue. There is no way that the Government could have been any better at predicting the need for the market to change, and nor is there any way that the public purse could have provided the £10 billion that the private sector is providing to ensure that we get the balance between supply and demand right. This will be a tight year if we are hit by very bad weather conditions, but after this year we will get the balance absolutely right.

Mr. Gregory Campbell (East Londonderry) (DUP): There is widespread support for the promotion of renewable energy projects across the United Kingdom, but there is concern about such projects being located in areas of outstanding natural beauty. Will the right hon. Gentleman ensure that the Northern Ireland Office is aware of my constituents' continuing opposition to the proposed location of an offshore wind farm off the north coast of Northern Ireland? The entire community is united in its opposition to such a project being located there.

Alan Johnson: The hon. Gentleman raises an important point on behalf of his constituents. Proper planning processes must be followed and any problem in Northern Ireland will certainly be examined by the correct authorities. Our investment in renewables means that 2005 will be a record year, with production of power from wind totalling 500 MW. That is a very important contribution to our climate change obligations and targets, and to our security of supply. Obviously, renewable energy projects must not be introduced without the proper planning consent, which must take into account the needs of areas of outstanding natural beauty such as the hon. Gentleman's constituency.

Miss Anne Begg (Aberdeen, South) (Lab): Any debate about future energy policy must be concerned about balance and not get caught up in the all the noise and discussion about the nuclear industry, important though that may be. The North sea still has plenty of oil and gas and those resources remain very important to the economy of the north-east of Scotland and of Britain as a whole. Does my right hon. Friend agree that new technologies mean that oil and gas still have a future?

Alan Johnson: I agree completely with my hon. Friend, and I take this opportunity to underline what has been said by my hon. Friend the Minister for Energy—and, indeed, by my right hon. Friend the Prime Minister. The energy review will be balanced, as we need diversity in our energy supply and there is no point in putting all our eggs in one basket. That means that we must look at all available energy sources—coal, renewables, fossil fuels and nuclear.

Mr. Bernard Jenkin (North Essex) (Con): I welcome the Secretary of State's consensual tone in respect of the energy review but, by any measure, the present policy is failing. The difficulties with security of supply are reflected in the current high prices, while fuel poverty and carbon emissions are both rising. Why is the review not being conducted more urgently? Will he discuss its terms of reference with all the main political parties so that the public consensus that the hon. Member for South Ribble (Mr. Borrow) asked him to pursue can be achieved?

Alan Johnson: I disagree that there is a problem with the market approach to energy, as I think that it is working very well. After all, the Canadian Government caused a disaster when they decided to intervene in Montreal, and the recovery there is still going on. The hon. Gentleman talks about consensus, but first there needs to be consensus between the hon. Member for Witney (Mr. Cameron) and the right hon. Member for Haltemprice and Howden (David Davis). Then perhaps we will achieve consensus across the House.

Globalisation

3. **Mr. John MacDougall** (Glenrothes) (Lab): What steps he is taking to monitor the impact of globalisation on UK manufacturing and services. [24336]

The Minister for Industry and the Regions (Alun Michael): We are acutely aware of the impact of globalisation and the challenges for UK manufacturing and services. The Government are committed to providing the right macroeconomic conditions and support through the manufacturing strategy to help companies to meet the challenges and to compete on the basis of high skills and added value.

Mr. MacDougall: I am sure that my right hon. Friend is aware that manufacturing industry accounts for one sixth of the UK economy. The industrialisation of

China and other low-wage economies will have a severe impact here. Does he believe that the Government are well placed to deal with that impact?

Alun Michael: My hon. Friend is right about the size of the manufacturing sector, and about the contribution that it makes to the economy. He is also right to point to the impact made by China, India and some other countries, as they now aspire to be at the cutting edge of manufacturing rather then just to produce low-value goods. However, their development provides us with large emerging markets that we should regard as an opportunity rather than a threat. Through the manufacturing strategy, we are working with manufacturing industry to face up to those challenges.

Miss Julie Kirkbride (Bromsgrove) (Con): One of the highest-profile examples of globalisation is the sale of the MG Rover car manufacturer in my constituency to the Chinese. Is the Minister aware that DTI officials confirmed to the Trade and Industry Committee the other week that the platform for mass-produced Rover cars has been shipped to China lock, stock and barrel? That is a great disappointment to my constituents, but the officials also confirmed that so far they had held no negotiations with Nanjing Automotive Corporation in respect of the company's long-standing promise that it would reinstate mass production at Longbridge. That is a very worrying and sad development: is it true, and what will the right hon. Gentleman do about it?

Alun Michael: I am certainly not going to go into the details of what are commercial matters for the company. The Government engaged very rapidly once the impact of the Rover decisions was known and my hon. Friend the Minister for Trade remains closely in touch with the company. We are also working carefully with the whole supply chain. Despite the Rover issue, the automotive industry is a success story in this country. The contribution made by automotive producers to the economy is considerable, and continues to be strong.

Mr. David Anderson (Blaydon) (Lab): This country will always have problems when we are competing with countries such as Bangladesh, where, as has been reported this week, 5 million children are working for 35p an hour. In 1999, the Government went to the World Trade Organisation in Seattle very committed to negotiating a labour scheme. Will we have that sort of debate at the WTO in Hong Kong, or are we to let this situation continue?

Alun Michael: My hon. Friend points to exploitation, which is unacceptable. That is why we strongly support the approach through the International Labour Organisation to deal with such issues. He is right to highlight the situation, which is an international scandal and this country is at the forefront of seeking international action to tackle those problems.

Charles Hendry (Wealden) (Con): The Minister is being frighteningly complacent. We are seeing a collapse of manufacturing employment, with 1 million jobs lost in manufacturing since this Government came to power, and its share of GDP falling from one fifth to one sixth. Even more worryingly, there is now a loss of jobs in the service sector and the professions, too, and it is only the huge growth in the public sector that masks that. Does the Minister not understand that the Government are part of the problem? Higher taxes, more regulations and cosy deals with the trade unions are making this country less competitive, and driving investment away to eastern Europe and Asia. Does he recognise that the tragedy is that business is telling the Government what is wrong, and it is only the Government who do not recognise the extent of the challenges?

Alun Michael: The hon. Gentleman is supposed to be speaking at the Dispatch Box, not the ranting box. I shall take no lessons from somebody who was part of a Conservative Government under whom interest rates were at 15 per cent. for a full year, about 1,000 businesses went bust every week and unemployment stood at 3 million. He has the cheek to try to give us lessons, but I have to say to him that since I came to this job I have been impressed by the way in which manufacturing industry works with the Government, because those people know the value of the manufacturing strategy that we established in 2002 to help manufacturing industry. They know where their friends are.

Dr. Ashok Kumar (Middlesbrough, South and East Cleveland) (Lab): May I urge my right hon. Friend not to take any lectures from the Tory party on manufacturing? We lost 50,000 jobs on Teesside when the Tories were in power. Does he agree that one of the key components of a successful manufacturing country is investment in research and development? What efforts is he making to ask the private sector to invest more in R and D so that we can have a successful manufacturing sector?

Alun Michael: My hon. Friend is right. What is strong is the partnership with manufacturing industry involving initiatives such as the materials centre that we opened recently on the Isle of Wight, and the fact that our manufacturing strategy is based on applying science and innovation, world-class practice, raising investment and a high level of skills. That all depends on high standards and good leadership in manufacturing industry, and leaders in that industry are acting as partners with us to tackle those issues, so our industry will be successful.

Subsidised Electricity

4. **Matthew Taylor** (Truro and St. Austell) (LD): What saving in the typical household bill has resulted from the subsidy to electricity consumers in northern Scotland under the scheme introduced in April. [24337]

The Minister for Energy (Malcolm Wicks): If we had not replaced the hydro benefit scheme, the typical household bill in northern Scotland would have gone up by £27 per year and fuel poverty in the area would have increased by around 15 per cent.

Matthew Taylor: Will the Minister have a word with his colleagues in the Department for Environment, Food and Rural Affairs to explain why a subsidy is provided that saves electricity bill payers in northern

Scotland £27 a year, paid for by electricity consumers across the rest of the country and legislated for by this Government, when they rule out help for South West Water customers, who pay double the London bills—not £200, but £400 on average? Those bills are set to rise to £700, even though they are already the highest in the country and are clearly unaffordable. Why is it that electricity customers can be helped in the north of Scotland, but no such help can be allowed for South West Water bill payers?

Malcolm Wicks: It is a clever link, but each utility has different circumstances, ownership, regulatory regimes and costs. I know that my hon. Friend the Minister for Climate Change and the Environment has talked to the hon. Gentleman about that matter. I do not want to get into deep water, so I will not trespass on DEFRA territory.

Linda Gilroy (Plymouth, Sutton) (Lab/Co-op): My hon. Friend has one of the longest track records in tackling and understanding fuel poverty. Will he therefore do all he can to help those of us who are determined to tackle water poverty and bring the issue not only to the attention of Ministers in the Department for Environment, Food and Rural Affairs, but those in the Department for Work and Pensions and the Treasury? We need all the help we can get to tackle that serious problem.

Malcolm Wicks: We certainly recognise concern about high water bills in the south-west. The cross-Government review of water affordability was published in December 2004, I believe, and my colleagues are following up its recommendations. I will obviously bring those concerns to the attention of my colleagues in DEFRA.

Nuclear-generated Electricity

5. **Mr. Desmond Swayne** (New Forest, West) (Con): If he will make a statement on the future of nuclear-generated electricity. [24338]

The Minister for Energy (Malcolm Wicks): As part of our general policy to focus on the climate, reliability of energy supplies and affordability for the customer, my right hon. Friend the Prime Minister has said that we will publish proposals on energy policy next year, and the question of civil nuclear power will be thoroughly and objectively considered.

Mr. Swayne: Is not nuclear energy a renewable source of energy?

Malcolm Wicks: There is a technical debate about that. Certainly, nuclear energy shares some scientific characteristics with wind and solar energy. However, although there is a lot of uranium around, it is by definition not a renewable. In any case, those scientific distinctions do not have any impact on the different policy courses that we need to follow.

Mr. David Chaytor (Bury, North) (Lab): Will my hon. Friend remind the House what happened to the last Prime Minister who promised to build 10 new nuclear power stations and remind us how many of them were built?

Malcolm Wicks: I am happy to take history tutorials from my hon. Friend, but the fact is that if we are reviewing energy policy, it makes sense to look scientifically and objectively at the question of the future generation of nuclear energy. My right hon. Friend the Secretary of State and I have both said that we are nuclear-neutral at present. In other words, we approach the matter open-minded, but not empty-headed.

Mr. Michael Jack (Fylde) (Con): At a recent meeting at the Westinghouse fuels division plant in my constituency, the trade unions rightly drew my attention to the world-class nature of our nuclear fuels manufacturing capability. However, if there is a positive outcome for nuclear in the debate to which the Minister referred, may I have his assurance that the time scale will be short enough to ensure that the skills may be retained in our UK fuel manufacturing capability?

Malcolm Wicks: It is certainly the case that the nuclear industry, like other parts of the energy industry, such as oil and gas exploration, is demographically challenged—to use the terrible jargon. In other words, there are more people aged 50 and over than there are younger entrants. I am giving some priority to the skills issue in the energy industry generally and I have discussed it already with the nuclear industry and other parts of the energy sector. Britain, and especially Scotland, is a centre of excellence for energy, not least because of the skills of our work force, and we need to maintain and improve on that.

Anne Moffat (East Lothian) (Lab): My hon. Friend will be aware that I am pro-nuclear—as opposed to the position he set out as regards himself, the Secretary of State and the Prime Minister in relation to the review—on the basis that there is a nuclear power station in my constituency and 50 per cent. of Scotland's electricity is generated from nuclear power. As there is a possibility of new build, does my hon. Friend share my concerns that the devolved Parliament in Scotland will try to use its planning permission powers to prevent that?

Malcolm Wicks: That is an important secondary, or tertiary, question but the primary question is whether, having studied the evidence, the Government should give a lead in a new generation of nuclear. We are not there yet. If we did so decide—I repeat, if—those important issues about Scotland and planning would need to be discussed among colleagues.

Pre-payment Meters

6. **Mr. Edward Leigh** (Gainsborough) (Con): Whether the number of people using gas and electricity pre-payment meters has changed as a result of the measures Ofgem has taken to improve billing practice and tighten suppliers' licence conditions. [24339]

The Minister for Energy (Malcolm Wicks): In July 2005, following a complaint by Energywatch under the Enterprise Act 2002, Ofgem conducted an investigation into the billing practices of gas and electricity suppliers. It made a number of recommendations, designed to take effect in July 2006. There is no reason why those recommendations, or the measures taken to implement them, should materially change the number of customers using pre-payment meters. Indeed, there are 3.6 million electricity and 2.1 million gas pre-payment meter customers.

Mr. Leigh: As the Minister has made clear, more than 5 million people pay for their gas or electricity with pre-payment meters, despite their being some of the poorest people in the community. In March, the Public Accounts Committee found that on average they were paying a premium to the companies of £60 a year. That is unacceptable. What actions have the Government taken since our report was published to rectify the situation and how much has the premium reduced since that time?

Malcolm Wicks: This is a matter that concerns me but it is not an easy one. The question is whether those choices should be allowed to the customer; I think they should. There are difficulties with pre-payment meters such as the extra costs, which I acknowledge. I worry about that too, but the alternative might be more disconnections and there are many evils associated with that. The matter is difficult and we need to approach it in a balanced way.

David Taylor (North-West Leicestershire) (Lab/Co-op): One obvious problem with pre-payment cards, as well as disconnections, which the Minister has just mentioned, is that if the card is not charged no fuel is supplied. A quarter or more pre-payment users self-disconnect in that way every year and a much higher proportion of them are gas users, which reflects the lower income profile of people forced into that position. Will the Minister tell us what he intends to do to tackle that problem?

Malcolm Wicks: As I said, this is a difficult issue because if people were in different systems and there were rising numbers of disconnections, the House would properly be concerned, as some of us have been in the past. We need to enable more customers to be given the information to make proper choices, including the choice of switching back to the type of payment methods that many of us enjoy. In that sense, the launch of the industry home heat helpline on Monday is important, as it means that a customer, or someone concerned about their welfare, can phone up for advice on those issues.

Mr. Mike Weir (Angus) (SNP): When asked about fuel poverty, Ministers often make the point that consumers should consider switching suppliers, but that is difficult for people on pre-payment meters, which must be one of the few examples where people are penalised by paying cash in advance. Will the Minister look again at the matter to see whether there is any way in which the electricity and gas companies can be forced to give a better deal to those who have to pay through pre-payment meters? Most people do so because they have no alternative but to use such meters.

Malcolm Wicks: There is some switching between suppliers for people on pre-payment meters, but I acknowledge that that occurs at a lower rate than for other customers. Will I look at the matter again? Yes I will, because it is a serious concern. We want people on low incomes to be able to enjoy the kind of facilities that we all enjoy. It is true that in this case the poor pay more due to the charging structure. I will look at it again.

Mr. Brian Jenkins (Tamworth) (Lab): That is the point. For a long time my hon. Friend was missing the point of the question. He talked about the market, but not about discrimination by companies against people who opt for pre-payment meters. On several occasions, Members on the Front Bench have defended the marketplace, and the openness of the marketplace, while Opposition Front Benchers and the previous speaker, the hon. Member for Angus (Mr. Weir), have called for more Government intervention and control. On what date did we switch places?

Malcolm Wicks: It's a funny old week, isn't it?

Clearly, pre-payment meters involve capital expenditure. If there was no price differential, other customers, including many low-income people and many pensioners, would have to subsidise those on pre-payment meters. These are difficult issues. I am not relaxed about the fact that so many low-income families have different payment methods from the mainstream of society. I repeat that there is no easy solution, but I have told the hon. Member for Angus (Mr. Weir) that I will reconsider the issue.

Mrs. Theresa Villiers (Chipping Barnet) (Con): Would the Minister be prepared to consider looking again at the regulation of the energy market to encourage the installation of smarter, more high-tech meters across the board? The advantage is that the consequences of consumers' energy choices would be much more visible to them. With that visibility, we could encourage and enhance energy efficiency among consumers because they would instantly see the energy consequences of the appliances that they choose to use in the home.

Malcolm Wicks: The short answer is yes. I am very interested in the concept of smart metering, particularly if it could tell householders how much CO_2 their dwellings were emitting and, with micro-generation in the dwelling, they could see the savings that they were making. I understand that there has been a roll-out of smart metering in Italy, so the European experience can be considered. We are discussing that option with Ofgem. The investment required would be expensive, but to repeat my short answer, yes, it is worth considering that option.

Flexible Working

7. **Mr. Jim McGovern** (Dundee, West) (Lab): What measures he is taking to promote flexible working for those with caring and family responsibilities. [24340]

The Parliamentary Under-Secretary of State for Trade and Industry (Meg Munn): Many employers recognise the benefits of flexible working and almost a quarter of employees have some form of flexible working arrangement. The Government encourage flexible working by providing detailed guidance, promoting the benefits and sharing best practice. The right to request flexible working, which was introduced in April 2003, has proven a success with employers and employees. The Work and Families Bill proposes extending the scope of the existing law to include the carers of adults.

Mr. McGovern: I welcome that response from my hon. Friend. I also welcome the Government's efforts on the part of families with caring responsibilities and the recent announcement on paternity leave. However, does she share my concern that, for a father to qualify for additional paternity leave, the mother must give up some of her existing right to take 12 months' maternity leave? Would it not be fairer and, indeed, simpler to give the father the paternity leave as a matter of right?

Meg Munn: I thank my hon. Friend for his question and for welcoming our policies. The Government have looked carefully at the situation and consulted on the proposals. We believe that it is appropriate for one parent to care for the child, not for two—we must be mindful of cost, of course—and that such families can make the decision based on their own circumstances about whether they prefer the mother or the father to care for the child after the first six months.

John Bercow (Buckingham) (Con): Labour market flexibility for employees as well as employers is clearly vital to the health of our economy. However, given that more than 90 per cent. of companies employ fewer than 10 people and that they account for more than 50 per cent. of the private sector work force and generate two fifths of our national output, will the hon. Lady say something about what the Government intend to do to incentivise such small and medium-sized companies to deliver flexible working arrangements, given that they often want to do the right thing, but find it financially and logistically more difficult than their larger counterparts to do so?

Meg Munn: The hon. Gentleman makes an interesting and important point, but many small businesses are some of the best at reacting flexibly because they must do so to keep their staff and to work around such needs. However, the Government are aware that we can do more to help business, which is why we propose to ensure that employees give two months' notice of returning from maternity leave. Proposals are in place for proper consultation on whether someone wants to work flexibly if they have a child under the age of six, a disabled child or caring responsibilities, so that the needs of both the employer and the employee can be considered properly.

UK Manufacturing

9. **Mr. Ian Austin** (Dudley, North) (Lab): What steps the Government are taking to ensure that UK manufacturing has the skills needed to remain competitive. [24342]

The Parliamentary Under-Secretary of State for Trade and Industry (Barry Gardiner): My right hon. Friends the Secretaries of State for Trade and Industry and for Education and Skills announced on 31 October that four UK industries are to get national skills academies. This includes a manufacturing skills academy, which will create a single focus for the delivery of globally competitive engineering and manufacturing skills to help UK manufacturers across the country to compete and prosper in global markets.

Mr. Austin: Nowhere is manufacturing more important than in the black country, where a third of jobs still depend on the sector. Will my hon. Friend consider what more can be done to encourage young people to acquire the skills needed to pursue careers in industry, manufacturing, research science and design? Will he and his colleagues come to Dudley and visit Boss Design and Thomas Dudley, which are two world-beating local companies that show that with innovation, investment, new design technology and products, Britain still has a future in manufacturing?

Barry Gardiner: I thank my hon. Friend for the invitation to visit Thomas Dudley. I remember that he referred to it in his maiden speech as one of the local companies in his area that was investing in new technology, developing new products and opening new markets. The key point is that if we are to create such products and jobs, we need the skills to feed into those industries to develop innovation in line with our research and development perspective. I recall that my hon. Friend made boosting skills in his schools, work forces and trade unions his No. 1 priority as a Member of Parliament, and I am sure that he will deliver on that pledge to his constituency.

MINISTER FOR WOMEN

The Minister for Women and Equality was asked—

Women High-flyers

20. **Sarah McCarthy-Fry** (Portsmouth, North) (Lab): What assessment she has made of the reasons for the under-representation of women in high-earning, board-level jobs. [24354]

The Minister for Women (Tessa Jowell): Women are seriously under-represented as executive and non-executive members of FTSE boards. There has been a small increase in the proportion of such women over the past five years, and the next FTSE report on that will be published later this month. Given that 30 per cent. of managers are women, the reasons behind that under-representation are almost entirely due to the factors that comprise the glass ceiling, which set a challenge both to business itself and the Government.

Sarah McCarthy-Fry: I thank my right hon. Friend for her reply. While we obviously need to encourage more women to apply for such posts, does she agree that it is men who at present have the power to alter the position of women in the workplace? Does she think that we should be targeting our work at them?

Tessa Jowell: My hon. Friend is absolutely right. Firms that have taken purposeful steps to increase the proportion of women working at senior levels and on the board have seen an improvement in the standard of their corporate governance. She is right that the message must be, "If you recruit more women, your business is likely to become more successful."

Equal Opportunities (Civil Service)

21. **David T.C. Davies** (Monmouth) (Con): What measures she is taking to monitor equality in employment opportunities in Government Departments. [24355]

The Parliamentary Under-Secretary of State for Trade and Industry (Meg Munn): I welcome the publication this week of "Delivering a Diverse Civil Service", which will accelerate progress towards a more inclusive civil service. My Department measures the progress of women reaching the senior civil service through the gender equality public service agreement.

David T.C. Davies: Is the Minister aware that each year Government Departments squander an absolute fortune on all sorts of politically correct equality schemes? Let me cite two random examples: the NHS is spending more than £1 million a year on an equality unit, while in the Department for Environment, Food and Rural Affairs, 10 people who could be sorting out the agricultural crisis are manning a diversity unit. Does not the Minister think that she would do better—

Mr. Speaker: Order. I know that the hon. Gentleman is a new Member, but his lead-in is just a bit too long—he needs to be a bit sharper with his question. I think that the Minister has got the message.

Meg Munn: We have the message clearly that the hon. Gentleman does not support equality. We know that in the past he has attacked the ethnic business support programme and the minority ethnic women network. It is a pity because only this week the shadow Leader of the House, the hon. Member for Epsom and Ewell (Chris Grayling), said:

"We are strongly in favour of measures to ensure that people from diverse backgrounds are recruited into the public services and have equal access."

Let us see some more of it on the Opposition Benches.

Judy Mallaber (Amber Valley) (Lab): Contrary to the reactionary attitude of the hon. Member for Monmouth (David T.C. Davies), will my hon. Friend tell me what action her Department is taking to ensure that it is in the lead on this matter? Is she encouraging fathers within her Department to take up their responsibility for caring within their own families, rather than just leaving it to their wives?

Meg Munn: We have just been talking about the Work and Families Bill. Obviously the civil service, and the Department of Trade and Industry in particular, have an interest in ensuring that a great deal is done to support all parents, whether mothers or fathers, to take leave to look after their children. The civil service is doing particularly well in certain respects, although we can always do better. For example, of 550,000 employees, 44,000 come from black and ethnic minorities, which is considerably better than the figure recorded in many other sectors.

Mark Pritchard (The Wrekin) (Con): May I ask the Minister to reflect on what, unfortunately, I think were unhelpful and partisan remarks vis-à-vis equality? I think that all Members across the House believe in equality, but many of us have concerns when the Government begin to undermine equal rights by introducing special rights. That causes division.

Meg Munn: I have already highlighted the division that is apparent on the Conservative Benches rather than on the Government Benches—27 per cent. of Labour Members are women. If action by the Conservative party came anywhere near to achieving that figure, that would be very good.

Vera Baird (Redcar) (Lab): Of course the purpose of monitoring is to drive change. I am concerned that public authorities are not necessarily moving very quickly. I was appalled to find that my police force in Cleveland was next to the bottom of all forces in the recruitment of women officers. If we are to deal satisfactorily with real causes of concern such as domestic violence and sexual offences, it is imperative that we have high numbers of women police officers. I shall chase Cleveland police now, make no mistake about it. What steps will my hon. Friend take to ensure that public authorities move into a higher gear on recruiting women?

Meg Munn: I thank my hon. and learned Friend for that question. We need to do a great deal more in the public sector. To that end, the Equality Bill will introduce a public sector duty to ensure that all public sector authorities perform equally for both genders in terms of employment and the services that they deliver.

Sandra Gidley (Romsey) (LD): The Minister will be as disappointed as I am that the 1998 targets set by the Government were not met for senior civil servants. Does she agree that it would be useful to encourage women to enter the fast-track civil service scheme? Does she share my disappointment that the percentage of women entering that scheme has dropped by 10 per cent. over the past three years? What measures will she introduce to redress that balance?

Meg Munn: I agree with much of what the hon. Lady has said about the importance of getting women into the fast-track civil service stream. The public sector gender duty should ensure that greater efforts are made to increase their number.

Julie Morgan (Cardiff, North) (Lab): Does my hon. Friend agree that Government Departments need to make the best use of all available talents and that the services of Government Departments will be much improved if they make use of the diversity of the population? Is my hon. Friend concerned, as I am, that the senior civil service does not represent women adequately? What steps will she take about that?

Meg Munn: My hon. Friend makes an important point in that public services best serve the population

when they reflect that population. We are continuing to set challenging targets, which we strive to meet. Our civil servants are also committed to doing that. Along with the public sector duty, those targets should help us to make better progress.

Mrs. Eleanor Laing (Epping Forest) (Con): May I assure the House that the Opposition believe in equality of opportunity, even for people from Wales? Does the Minister believe everything that she said about equality of opportunity in the public sector? Government Departments are the agent of the taxpayer, so will she go further and require companies that are awarded contracts by Departments to take equality of opportunity into consideration?

Meg Munn: The hon. Lady raises an interesting issue. The Women and Work Commission, which is looking at the gender pay gap, has done some interesting work on procurement and will produce a report in January, which, I hope, will include recommendations to develop those proposals.

Politics

22. **Barbara Keeley** (Worsley) (Lab): What steps the Government are taking to encourage young women and girls to participate in politics. [24356]

The Parliamentary Under-Secretary of State for Trade and Industry (Meg Munn): Citizenship is taught in all schools as part of the national curriculum, and it includes the electoral system and the importance of voting. The women and equality unit has produced a special resource pack for teachers and young people that includes ideas on how to cover women's equality issues in citizenship classes.

Barbara Keeley: Last week, I was visited in Parliament by a young woman from Wigan called Michaela who is a member of the Youth Parliament and is very interested in politics and political life. What steps is my hon. Friend taking to increase women's representation in politics at different levels, so that if that young woman decides to graduate from the Youth Parliament to the House of Commons the gender balance is rather different?

Meg Munn: I thank my hon. Friend for her question. As the first woman MP for Worsley she is an excellent role model for her young constituent. The Youth Parliament could certainly teach us a thing or two about the ratio of male to female Members, because it is 49:51. Much of this is a matter for political parties, but the Labour Government passed the Sex Discrimination (Election Candidates) Act 2002 to allow political parties to use positive measures to encourage more women to stand for election.—*[Interruption.]* I can understand why Opposition Members are shouting at me—they do not want to face up to their failure.

Business of the House

11.32 am

Chris Grayling (Epsom and Ewell) (Con): Will the Leader of the House give us the business for next week?

The Leader of the House of Commons (Mr. Geoffrey Hoon): The business for next week is as follows:

MONDAY 7 NOVEMBER—Second Reading of the Council Tax (New Valuation Lists for England) Bill.

TUESDAY 8 NOVEMBER—Consideration in Committee of the Electoral Administration Bill.

WEDNESDAY 9 NOVEMBER—Report stage of the Terrorism Bill.

THURSDAY 10 NOVEMBER—Third Reading of the Terrorism Bill.

FRIDAY 11 NOVEMBER—Private Members' Bills.

The provisional business for the following week will be:

MONDAY 14 NOVEMBER—Remaining stages of the Violent Crime Reduction Bill.

TUESDAY 15 NOVEMBER—Opposition Day [9th allotted day]. There will be a debate on an Opposition motion. Subject to be announced.

WEDNESDAY 16 NOVEMBER—Remaining stages of the Immigration, Asylum and Nationality Bill.

THURSDAY 17 NOVEMBER—A debate on defence in the UK on a motion for the Adjournment of the House.

FRIDAY 18 NOVEMBER—The House will not be sitting.

I should also like to inform the House that the business in Westminster Hall for the rest of November will be:

THURSDAY 10 NOVEMBER—A debate on maximising women's skills in the UK economy.

THURSDAY 17 NOVEMBER—A debate on the report from the Home Affairs Committee on the rehabilitation of prisoners.

THURSDAY 24 NOVEMBER—a debate on the report from the Transport Committee on "Road Pricing: The Next Steps."

Chris Grayling: Will the Leader of the House update Members on the Terrorism Bill? He will be aware that yesterday, after the Government's majority was reduced to one on the issue of indirect incitement, the Home Secretary asked for a delay in the vote on the 90-day detention plan. When will that vote take place, and does he expect any further changes to the programming of the Terrorism Bill before next week?

Last week, the Leader of the House failed to answer my question about why the Government have not yet followed the recommendation from the Committee on Standards in Public Life to create an adviser on ministerial interests. Sir Alistair Graham has been highly critical of the Government on the subject, so when will the Leader of the House introduce proposals to that effect?

Yesterday, many thousands of people came in the rain to lobby the House on trade, justice and poverty issues, and many expressed concern that those issues would not be made a priority at the World Trade Organisation talks in Hong Kong in December. Given all that the Government have said in the past few months about development issues, may we have a statement from the Prime Minister before the Hong Kong talks so that he can brief the House about how Britain intends to push the agenda forward? May we also have a debate in Government time so that Members again have the opportunity to make their views heard on this vital issue?

May we also have a debate on the sub judice rules and the Procedure Committee's report on those rules? The right hon. Gentleman will be aware that the issues are sensitive. They have been raised a number of times in the House in the past few weeks by right hon. and hon. Members and they need to be resolved. Without resolution, they are constraining many of the activities of some of our Committees.

When will the House see a copy of the proposed legislation on terrorists on the run in Northern Ireland? I understand that the Government have already shown those proposals to Sinn Fein. Does the right hon. Gentleman think it right that Members who have not taken up their seats should see proposed legislation before those who have?

We are now into November and the Government have still provided no further information about either the date of the pre-Budget report or the proposed dates for the parliamentary year. Neither of those are sensitive issues, so why the delay?

Mr. Hoon: Given the detailed debates that took place yesterday on the Terrorism Bill and which will again take place later when we reach the main business, I am slightly surprised that the hon. Gentleman is concerned that there is not enough opportunity to discuss these matters. I have already mentioned that there will be two further days of debate next week, so I am sure that my right hon. Friend the Home Secretary will continue his determined efforts to ensure that we have an effective measure for dealing with the terrorist threat in the United Kingdom, one that, incidentally, commands the very strong support of most people in this country.

We have a ministerial code—*[Interruption.]* I am sorry that hon. Members are scoffing, because I was about to make the point that that code has been applied by successive Prime Ministers, the majority of whom have been Conservative ones, and it is thus important to emphasise that this is a matter for the Prime Minister—a matter that he takes extraordinarily seriously.

The hon. Gentleman is right to raise the issues of trade, justice and poverty. I saw the long lines of people who came to Westminster yesterday to lobby. This is an important issue for people throughout the country, and I am delighted that the Government have responded in the way that they have, by leading the way around the world in ensuring that these matters are taken seriously; and in our meetings of the G8, the EU and other international bodies we are the leaders in putting these issues firmly, squarely and fairly before the international community.

The important issue of sub judice will obviously be subject to further consideration. We have had a report, but I understood from the Chairman of the Procedure Committee that it was contemplating looking at the matter again, so obviously it is important that we

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continue to ensure, as I have said to the House before, that we do not make comments or statements that can affect court proceedings, subject of course to the importance of right hon. and hon. Members being able to raise these matters.

The Bill dealing with so-called on-the-runs will be published shortly, as will the parliamentary calendar and the date of the pre-Budget report.

May I just raise one matter with the hon. Gentleman? I have seen that he has been dubbed in some newspapers as the jackal. As someone who in the past has been the victim of the sketch writers, may I sympathise with the hon. Gentleman? I say that because I took the trouble to look up the definition of a jackal, and it was described as a medium-sized, opportunistic scavenger with dog-like features and large ears. I offer my sympathies to the hon. Gentleman about that rather unkind and totally unfair comparison.

Andrew Miller (Ellesmere Port and Neston) (Lab): My right hon. Friend will be aware that unemployment in the north-west of England has come down by 48 per cent. and youth unemployment has been virtually removed since 1997. Will my right hon. Friend find time for a debate on this important success story, because we do not want any slippage back to the bad old days under the previous Administration when unemployment in my constituency used to be in double-figure percentages?

Mr. Hoon: My hon. Friend is right to raise that issue, but we have had a debate—it was called the general election campaign. As I travelled up and down the country, I was constantly reminded, even in Conservative-held seats, that the people of this country want a stable economy, full employment and the kind of training and educational opportunities that were not available before 1997. We do not need a debate to remind the country of those achievements, because people voted for them at the general election.

Mr. David Heath (Somerton and Frome) (LD): The Leader of the House must hope that next week will be slightly better than this week as far as the Government are concerned.

I listened carefully to the Leader of the House's remarks about the ministerial code of conduct. Lord Nolan, who knows a thing or two about it, said this in the *Yorkshire Post*:

"Blair should insist on ministers obeying the rules. I think that if anyone breaks the rules, they should be disciplined."

Is it not time that we had debate on the application of the ministerial code of conduct, because people do not understand the point of a code that may be broken with impunity?

Given the Home Secretary's assurances that he is prepared, albeit in the face of almost certain defeat, to talk to Opposition parties to try to reach a consensus, it is likely that a raft of Government amendments will be tabled on Report. Is the Leader of the House prepared to re-examine how long the Bill spends on Report, which is currently scheduled for Wednesday next week, if it is necessary to extend consideration to Thursday in order to do justice to the Government amendments?

Is Monday a convenient day for a statement on the funding of the council tax this year, given the Local Government Association's expectation that on average council tax will rise by more than £100 to meet a £2 billion deficit, and the almost daily petitions to this House from constituents who are protesting about the iniquity of the present system?

Finally, in a spirit of consensus, may I join the Leader of the House and the Conservative shadow Leader of the House in saying that our constituents who visited us yesterday, whose efforts went largely unreported because of the brouhaha, deserve greater recognition for raising the important issues of trade justice and ending poverty? It is time that we debated those subjects.

Mr. Hoon: I repeat what I have said about the ministerial code—it exists to govern the conduct of Ministers during and after their period of office. It is vital that it command confidence, which is precisely why my right hon. Friend the Prime Minister took the matter so seriously.

As far as my right hon. Friend the Home Secretary is concerned, if there are difficulties about the timing of any stage of the process, I anticipate that they will be raised through the usual channels and considered appropriately.

On council tax funding, a Second Reading debate is taking place on Monday. I do not know why the hon. Gentleman needs a statement on top of that, because I am sure that he is capable of raising the issue. In the light of last year's experience, the LGA announcement is probably an opening bid. I checked last year's opening bid—the hon. Gentleman might like to do the same—which involved the same kind of comments about the need for a large increase in council tax, although interestingly that was not the final result. We are seeing a carefully calculated effort to impress the Government, but I anticipate that the final result will be very different from the LGA's opening position.

I have nothing to add to my earlier comments about trade justice, which is important, and I am delighted that so many people made their concerns known. The Government strongly support trade justice.

Geraldine Smith (Morecambe and Lunesdale) (Lab): Does my right hon. Friend agree that last year's referendum on regional government in the north-east demonstrated little or no public support for an additional layer of politicians? Does he also agree that the numerous quangos that operate in our regions need to be held to account? Is he prepared to examine the possibility of hon. Members taking on that task, perhaps through grand committees of the regions?

Mr. Hoon: I agree with my hon. Friend that the result of the referendum in the north-east showed that that particular proposal was not supported there. However, I do not entirely accept my hon. Friend's observations on additional tiers. As happened in Scotland and Wales, a single tier of local government has allowed for the development of national Parliaments and Assemblies in those countries. Nobody would have strongly supported the idea of an additional tier of government without obvious changes to the way in which local government was administered. It remains to be seen whether the issue is taken forward.

The Government have never suggested that we should add a tier of regional government without considering the structures for local government, which are often confusing to our constituents, who are not sure which tier of local government is responsible for which activity. I certainly take seriously my hon. Friend's suggestion about the way in which we should supervise quangos.

Mr. Mark Lancaster (North-East Milton Keynes) (Con): Will the Leader of the House find time to debate early-day motion 385?

[That this House recommends that glasses and bottles should be changed to plastic in late night bars and clubs.]

That follows the vicious attack on my constituent, Blake Golding, in January. I am sure that Members on both sides of the House would support measures that help to curb antisocial behaviour.

Mr. Hoon: I am grateful for that suggestion from the hon. Gentleman.—*[Interruption.]* I am sure that promotion will come in due course. No Government have taken the question of antisocial behaviour more seriously than this one. We have legislated and taken action across the country to deal with the threat. I accept the hon. Gentleman's suggestion of further action as part of the necessary consideration of these issues that the Government undertake on a routine basis.

Dr. Brian Iddon (Bolton, South-East) (Lab): The disengagement plan that the Israelis implemented in Gaza has caused more problems than it has solved, and Israel is being very provocative over its handling of affairs in Jerusalem. Iran's provocative statements about Israel are also causing problems, and Iraq and Afghanistan are giving rise to many concerns among Members. When may we have the long-promised debate on affairs in the middle east?

Mr. Hoon: I am sorry that my hon. Friend takes such a pessimistic view of the middle east, and particularly sorry that he regrets Israel's disengagement from Gaza. My contacts in the Palestinian community have strongly welcomed that as an important step towards a two-stage solution for the middle east. That is why we believe that this is a contribution towards the establishment of a Palestinian state. That is also the view that most of my Palestinian friends have taken.

My right hon. Friend the Prime Minister has made clear the Government's position in relation to the outrageous remarks by the Iranian President, and I do not believe that I need add anything to that. I know that I speak for all Members of this House in condemning those remarks and the destabilising characteristic of what the Iranian President has done.

As for Iraq and Afghanistan, my hon. Friend may be more pessimistic than I am. I believe that we have made very significant progress, with elections taking place and a constitution being approved in both countries and steps now under way towards providing not only a transitional Government in Iraq but a permanent one.

Sir Nicholas Winterton (Macclesfield) (Con): On the sub judice rule raised by the shadow Leader of the House, the Government owe the House a debate on the report produced by the Procedure Committee in the last Parliament. The Committee is not willing to proceed with a further inquiry until it has received the Government's response and had a debate on that report. I hope that the Leader of the House will treat that seriously.

On a more important point, I was unfortunately unable to attend the Modernisation Committee yesterday because of a very important funeral, but I understand that it took a decision to look into the legislative process. May I say to you, Mr. Speaker, that the legislative process is very much the responsibility of the Procedure Committee, which has for many decades had responsibility for those aspects of the House's activities? Will the Leader of the House agree to have a meeting with the Procedure Committee, which is chaired impartially by a Back-Bench Member rather than by a member of the Cabinet, to ensure that there is no duplication between its work and that of the Modernisation Committee?

Mr. Hoon: I am always grateful for such spirited contributions from the hon. Gentleman. Perhaps I misunderstood his recent remarks when he suggested that the Procedure Committee was considering looking afresh at the sub judice matter. I had taken that to mean that it was considering new ideas. I cannot see any purpose in holding a debate while the Procedure Committee is still engaged on that consideration. However, I am perfectly willing to see the hon. Gentleman and discuss those matters with him.

I have heard on previous occasions the hon. Gentleman's observations on the Modernisation Committee and the inevitable overlap between its excellent work and that of the Procedure Committee. Hon. Members have accepted that that is the inevitable consequence of modernisation. It is important that the House continue to modernise its procedures and arrangements to ensure that the people whom we represent fully understand and appreciate the excellent work that is done here.

Joan Walley (Stoke-on-Trent, North) (Lab): After the earthquake in Pakistan and Azad Kashmir, what scope is there for a debate during which we can consider the efforts of the United Nations, our Department for International Development, our Foreign and Commonwealth Office and our Ministry of Defence? With winter setting in, we need to know the extent of the unmet need and whether further co-ordination is required to ensure that aid is there before winter arrives. That needs to be done urgently.

Mr. Hoon: I am grateful to my hon. Friend for raising that important issue. It is important not only for the United Kingdom's relations with Pakistan, with which we work closely, but domestically, because I know from recent visits that the issue directly affects many of our constituents with a Pakistani background and close relatives in Pakistan. I assure my hon. Friend that the Government take the matter seriously. We have not only led the way in financial assistance, but we have provided assistance in kind, not least in the form of three large helicopters from the Ministry of Defence. We will continue to take the issue seriously.

Mr. Peter Robinson (Belfast, East) (DUP): The Leader of the House said earlier that legislation for the so-called on-the-runs was due to be presented shortly. We have heard that for perhaps the past eight weeks, since the Government shared their view with a terrorist organisation but not with parliamentarians. There is growing concern in Northern Ireland about the expectation that the Government will extend the measure to embrace almost everybody who committed a crime before 1998, without having them appear before a court. Will the Leader of the House ensure that, if the Secretary of State for Northern Ireland is not going to introduce the Bill in the next two weeks, he will make a statement to the House to clarify the matter?

Mr. Hoon: I am grateful to the hon. Gentleman for raising an important issue that is sensitive for many people not only in Northern Ireland but elsewhere in this country. I emphasise that the measure is a determined contribution to achieving a peaceful resolution to the situation in Northern Ireland. There are times when extraordinarily difficult decisions have to be made. I assure the hon. Gentleman and the House that, as soon as the Bill is ready, it will be published in the usual way and all hon. Members will have the opportunity of seeing and discussing it.

Mr. Mike Hall (Weaver Vale) (Lab): Cheshire county council, under a review that is euphemistically called "Transforming Learning Communities", proposes to close one secondary school and at least two successful, buoyant primary schools in villages in my constituency. I should like a debate on the fact that Cheshire county council has placed a gag on the head teachers and teachers in those schools for speaking up for their schools while the review continues. That is an abrogation of their democratic rights and an affront to their civil liberties. Will the Leader of the House grant me a debate on that next week?

Mr. Hoon: I cannot promise my hon. Friend a debate next week, but he raises an important matter. There is a process under way of ensuring that we have the right sized schools in the right places to deal with the population. I accept that that sometimes causes difficulties in local communities and that we must keep it under review. I am sure that my hon. Friend will ensure that the matter remains at the forefront of concerns in his constituency.

Mr. Eric Forth (Bromley and Chislehurst) (Con): May we have an urgent debate on the ministerial code, which is allegedly written and policed by the Prime Minister? Is not it the case that, sadly, yesterday's resignation by the Secretary of State for Work and Pensions was brought about by a combination of political pressure and withdrawal of support from Labour Back Benchers? How is it that everybody else can see what the Prime Minister is unable to perceive—that integrity and honesty in government and in politics are important? If the ministerial code is to mean anything, we should take it away from the Prime Minister and give it to someone who knows what decency and integrity really mean.

Mr. Hoon: I am sorry that the right hon. Gentleman has taken that approach. As I made clear, successive Prime Ministers have been responsible for supervising the ministerial code. That position has continued for several years and I am happy to endorse it, because I know how seriously my right hon. Friend the Prime Minister takes the ministerial code.

Chris Bryant (Rhondda) (Lab): May we have a debate as soon as possible on Iran? Does the Leader of the House accept that it is not only the Iranian President's words about Israel last week or the nuclear programme that cause concern, but Iran's grisly human rights record? In July, two young men were killed in north-east Iran merely for being gay, and 30 young people under the age of 18 are on death row. Those are only the people we know about. May we have a debate and break with convention by not holding it on the Adjournment of the House but on a resolution, so that the Government of Iran understand that not only the Government but the whole House is worried about our relations with that country?

Mr. Hoon: I emphasise again the importance that the Government attach to the disturbing situation in Iran. My hon. Friend is right to point not only to the terrible statement by the Iranian President but to a range of other issues that the Government clearly take seriously. Indeed, this morning, my right hon. Friend the Foreign Secretary set out several concerns to the Cabinet about Iran. It is therefore much in our minds and we must continue to deal with it through the careful international diplomacy that has produced results. It is a clear sign of the international community's unity that France and the United States co-sponsored a resolution to ensure that there is a genuine way forward for the international community to deal with the disturbing situation in Iran.

Richard Younger-Ross (Teignbridge) (LD): Earlier this week, Best Mate tragically died at Devon and Exeter racecourse. Will the Leader of the House ensure that the Secretary of State for Environment, Food and Rural Affairs makes a statement to explain why, against the wishes of the racecourse owners and the race horse owners, it was not allowed to be buried at the racecourse?

Mr. Hoon: I am sure that my distinguished predecessor, Robin Cook, would have had an answer to the hon. Gentleman's question. He had undoubtedly forgotten more about horse racing than I will ever know. I do not know the answer, but I shall try to find out.

Mrs. Sharon Hodgson (Gateshead, East and Washington, West) (Lab): Has the Leader of the House seen early-day motion 840?

[That this House believes that British Telecom should automatically make available its free BT Privacy Service to stop unwanted calls to all customers who previously signed up to the service at a cost of £21 a year; and is astonished that BT has no plans to alert paying customers to the fact that the service is now free if they subscribe to BT Privacy and that they say it is up to customers who subscribed in the past to request the change.]

The motion has solid cross-party support and highlights the practice of BT, which continues to fleece its customers for a service that it provides free to brand

new customers. BT stops taking the charge only if its loyal customers ask for that. May we have a debate on consumer rights?

Mr. Hoon: One thing that I do know about BT is that it has a very effective public affairs department, so I am sure that my hon. Friend's raising of this issue on the Floor of the House will already have been considered by the company. I am sure that she will achieve the desired effect by raising it in this way.

John Bercow (Buckingham) (Con): Given the growing scandal of unsafe removals of failed asylum seekers to Zimbabwe, Somalia and Sudan—to name but three countries in which returnees are at risk of imprisonment, torture, death or a grisly combination of all three—will the right hon. Gentleman provide for an early debate on that issue on the Floor of the House in Government time, so that those who wish to do so can argue that the Government ought to put in place more effective systems and to make more painstaking efforts to ensure that individuals are not returned to countries whose Governments cannot or will not guarantee their safety?

Mr. Hoon: The hon. Gentleman has been assiduous in raising these issues and I congratulate him on that. However, I differ with him to a certain extent. He is right to say that it is vital that, in each individual case, proper consideration is given to the consequences for that individual of being returned to any country. The risk attached to the hon. Gentleman's approach is clear, however. Generalising about the situation in any particular country could prevent that individual assessment from being made.

When difficult cases are considered, it is important that we do not simply say that there will be no further deportations to places such as Zimbabwe, for example, because it might well be perfectly safe and proper for that particular individual to be returned there. I accept that we need to look at these examples very carefully, given the risks to the individuals involved, but if we start saying that there are countries to which we can never deport people, that will be a clear encouragement for people to come here from those countries to seek asylum. That is the balance that we have to strike, and we have to get it right.

Mr. Paul Truswell (Pudsey) (Lab): Is my right hon. Friend aware that the Secretary of State for Transport has said today that he will not support the Leeds supertram bid, but that he would support well-argued proposals for bus schemes? Given the Government's renewed enthusiasm for buses, will the Leader of the House arrange for a debate in the House on the ways in which we can improve bus services across the country, including through the extension of the quality bus contracts that have worked so well in London, but are effectively denied to the rest of the country?

Mr. Hoon: I know that my right hon. Friend the Secretary of State has looked at a number of these cases very carefully. I acknowledge that that will not be a great consolation to the people of Leeds, but it is important that we continue to look at the most effective, and cost-effective, ways of delivering better public transport. My hon. Friend is right to emphasise the important contribution that buses can and do make to that.

Sir George Young (North-West Hampshire) (Con): What has happened to the Government's Bill on smoking, which was published last month, but which, to judge by the business statement, is not going to be seen in a public place for some time? Would it not assist the passage of that important measure if the Government were to allow a free vote on the various options supported by the right hon. Gentleman's Cabinet colleagues?

Mr. Hoon: I assure the right hon. Gentleman that there is no comprehensive ban on the discussion of that Bill. There will be every opportunity for the House to consider the careful compromise that the Government have put before the country.

Steve McCabe (Birmingham, Hall Green) (Lab): May we have an early debate on the responsibilities that local authorities should observe when drawing up a contaminated land register? This is affecting several hundred of my constituents in the Bach Mill Drive area of Billesley. Birmingham city council identified the land there as contaminated, then sold it to property developers to build houses on. My constituents now face years of litigation, at taxpayers' expense, while the value of their property goes through the floor. Surely it cannot be right that the city council can identify land that it owns as contaminated, then sit as judge and jury on the outcome. Surely that is unjust.

Mr. Hoon: My hon. Friend has made his point, but I would not wish to be drawn into what appears to be a potential legal case that has clearly aroused very strong feelings. I shall simply express my concern on behalf of those home owners because, for most people, their home is the single most important purchase that they make and they want to be confident that their land is not contaminated. I am sure that my hon. Friend has done the people whom he represents a valuable service by raising this issue.

Mr. Michael Moore (Berwickshire, Roxburgh and Selkirk) (LD): The Leader of the House will be aware of the continuing anger from all sides about the Office of Fair Trading's report on the supermarket code of practice, which, unbelievably, suggested that there was nothing wrong in the relationship between farm businesses and the large supermarkets. Given the importance of this issue, will the right hon. Gentleman find Government time to debate it, so that we can expose the report for the whitewash that it was?

Mr. Hoon: It is important that we consider the importance of agriculture and the provision of food in our supermarkets. However, one of the issues that inevitably arises in relation to large supermarkets is the determination of most careful consumers in the United Kingdom to pay as little as they can for their food. That undoubtedly drives the practices of the supermarkets, which, from time to time, not only irritate farmers but produce considerable anger. However, changes are taking place in that market. Consumers are

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undoubtedly becoming more discerning. For example, they are taking into account the distance that food is transported before it arrives on their plate. The fact that such considerations are being taken to heart by consumers is changing the relationship that the hon. Gentleman has described.

Siobhain McDonagh (Mitcham and Morden) (Lab): Will my right hon. Friend allow a debate on the front-page story of today's *Wimbledon Post* on mis-spending by unelected bureaucrats in the NHS? My right hon. Friend the Secretary of State for Health has been called in to decide on the site of a new general hospital in my area. Sutton's MPs and I want it to stay at my existing local hospital, St. Helier. However, the officials are determined to move it to a wealthy suburb, where it would be inaccessible to my constituents. Even though no decision has yet been made, they are spending huge amounts of taxpayers' money on the site—including £60,000 that they have paid, to help them to promote the site, to an organisation run by someone who, for constitutional reasons, should not be involved in political decisions such as these: the Prince of Wales. The House needs to debate whether the Prince should be backing health cuts for my poorest constituents—

Mr. Speaker: Order. Perhaps the hon. Lady should try for an Adjournment debate on that matter.

Mr. Hoon: Thank you, Mr. Speaker. I was about to say to my hon. Friend that, having had to prepare for Cabinet, attend the meeting, and prepare for business questions, I had not had time to read this morning's copy of the *Wimbledon Post*. However, I suspect that I no longer need to do so. I am grateful to her for raising this issue and I am sure that she will be guaranteed good coverage in tomorrow's edition of that august publication. I am not sure that I need add anything to what she said.

Mr. David Gauke (South-West Hertfordshire) (Con): Given the rapid move towards the amalgamation of police forces as a consequence of the O'Connor report produced by Her Majesty's inspectorate of constabulary, will the Leader of the House consider giving Government time to a debate on that report and its significant consequences for policing in this country?

Mr. Hoon: The hon. Gentleman is right to raise the issue of that important report on the future structure of our police authorities. I do not think that anyone doubts that if we were devising a way of organising our police forces now, we would not start with 43 of them, distributed in their current rather random way. It is therefore right that we should consider this important question, particularly on the basis of direct advice from those who know these matters best, namely, the police. I am sure that, in due course, there will be an opportunity to debate these issues.

John Robertson (Glasgow, North-West) (Lab): My right hon. Friend will be aware that earlier today, during Trade and Industry questions, there were a great many questions on energy, particularly nuclear energy. Is it not time to start a debate on that issue and to put Members' questions into a debate so that we can get proper answers from the relevant Minister?

Mr. Hoon: My hon. Friend raises an important issue. There is little doubt that that debate has been started. My right hon. Friend the Prime Minister made it clear at the Labour party conference that it was an issue that we in the Government and the people of this country must address, in order to provide us with adequate energy supplies long into the future. I know that the issue was also raised at Question Time today, and that it is one to which right hon. and hon. Members will continue to return.

Alistair Burt (North-East Bedfordshire) (Con): Some farmers in my constituency, despite 23 months of struggle and being placed on a priority priority list, have still not received accurate maps of their farm from the Department for Environment, Food and Rural Affairs, thus further delaying the ill-fated single farm payment scheme. Does the Leader of the House accept that one of the hailmarks of his Government is now the lack of belief among the public that they can deliver any major reform, from single farm payments to working tax credits? Will he institute an inquiry among his Cabinet colleagues into how many major projects are overrun, over-budget, subject to an ombudsman's inquiry, or necessitating the employment of expensive consultants, and place the results in the Library?

Mr. Hoon: I am sorry that the hon. Gentleman went from a perfectly sensible question about a practical problem affecting his constituents to a ramble about the rest of the Government's delivery programme. The truth is that since 1997 the Government have delivered on health, education and employment—*[Interruption.]* Conservative Members are making noises. The hon. Gentleman raised a perfectly proper issue and I was about to give him a helpful and constructive answer, but he turned it into a series of generalisations about the Government's programme elsewhere. I will ask my right hon. Friend the Secretary of State for Environment, Food and Rural Affairs to write to him on the matter.

Andrew Mackinlay (Thurrock) (Lab): May I take the Leader of the House back to his reply a few moments ago to the right hon. Member for North-West Hampshire (Sir George Young) in relation to the Health Bill, when he said that the House would have adequate time to discuss the carefully considered proposition of the Cabinet. I think that I summarise him correctly. Will he therefore consider having the key clauses of the Bill dealt with on the Floor of the House, as has happened with some other controversial legislation involving conscience, and will he bear in mind, and discuss with his right hon. Friends the Prime Minister and the Chief Whip, the need for an unwhipped vote on these issues? The question of people who work in private clubs and children who go to private clubs needs to be addressed. Does he have an open mind?

Mr. Hoon: The Leader of the House always has an open mind. I could not make the same point to the right hon. Member for North-West Hampshire (Sir George Young) because he was not elected on a manifesto that committed both my hon. Friend and me

to the careful compromise set out by the Government, but I anticipate that my right hon. Friend the Chief Whip will have a view on why Members elected on that manifesto are not keen to support it.

Mr. Dan Rogerson (North Cornwall) (LD): May we have a debate on the subject of self-regulating professions? Several of my constituents have contacted me on issues relating to professions about which they feel that they have no right of appeal. I have taken advice on whether I can secure an Adjournment debate on the issue, in this place or in Westminster Hall, but have been told that as it cuts across many Departments I am unable to do so. Is the Leader of the House able to offer a debate on the issue of self-regulating professions?

Mr. Hoon: I would regard an Adjournment debate in Westminster Hall as an excellent vehicle. One of the characteristics of Westminster Hall has been that it has dealt with issues that cut across several Departments. I encourage the hon. Gentleman to pursue that avenue, and if he has any difficulties I would be willing to examine them.

Mr. Anthony Wright (Great Yarmouth) (Lab): On Saturday, we will remember that it is the 400th anniversary of the gunpowder plot. Many of my constituents will also remember that within the past 12 months we introduced legislation to curb the misuse of fireworks. My postbag is already building up in relation to the abuse of fireworks, so the legislation is clearly not having an effect. Will the Leader of the House give a commitment that he will bring the legislation back to the Floor of the House after 5 November for consideration of what we can do to make sure that we do not suffer the same problems next 5 November?

Andrew Mackinlay: Same punishment as Guy Fawkes. No more Mr. Nice Guy.

Mr. Hoon: My hon. Friend the Member for Thurrock (Andrew Mackinlay) is supposed to be on my side.

On the important issue of fireworks, which I am grateful to my hon. Friend the Member for Great Yarmouth (Mr. Wright) for raising, the Government have taken action. Three new penalty notices and three new offences have been created to deal with the abuse of selling fireworks outside the normal and reasonable period for celebrating what will this year be the 400th anniversary of an important event in the nation's life. We do not want to prevent those celebrations in any way. On the other hand, it is important that they are confined closely to the period around 5 November. I have not received the same number of complaints on the matter this year as in recent years, which, I believe, is because the legislation is having an impact. It is important, as he says, that we continue to publicise that legislation, to make sure that it continues to have the impact required.

Tim Loughton (East Worthing and Shoreham) (Con): I have raised with the Leader of the House on several occasions the subject of the elusive draft Mental Health Bill. It remains as elusive as ever, yet last week *The Guardian* produced a leaked report of the findings of the Government's code of practice working party, which completely dished large parts of that Bill. Will he confirm whether the rumours that the whole Bill might have been ditched are true, and that the Government have realised that they do not want to open up another front in the onslaught on civil liberties that the Bill represented? If not, will we see the Bill this side of Christmas? In any case, will he at last give the House an opportunity to debate the subject of mental health, which has not once been debated in Government time since 1997?

Mr. Hoon: As I have said to the hon. Gentleman previously, mental health is an important issue. I accept that the terrible consequences of such problems, for many more people than perhaps is understood, are not always recognised. The Mental Health Bill is in the Government's legislative programme and will be brought forward, but as with all parts of that programme, the appropriate timing is a matter for the business managers.

Mr. Denis MacShane (Rotherham) (Lab): May I ask the Leader of the House for a debate on housing in south Yorkshire, in the light of a written reply from the Office of the Deputy Prime Minister to me this week showing that over the past five years, for the giant conurbations of Rotherham, Sheffield, Barnsley and Doncaster, on average just 3,189 new dwellings have been built a year for the 1.5 million people who live there? That is the lowest rate of house build in south Yorkshire since the stone age. We have the land and the building firms, so can we have a debate to consider how planning committees can move forward and land use rules be changed? While the concrete mixers are ready for the south of England, we would like to see in the north of England a much more supply-side orientated policy from the Government to encourage new homes and new houses.

Mr. Hoon: My right hon. Friend is absolutely right to raise that issue. My constituency is not that far away from the area that he describes and there has been a great deal of new building there, which has improved the housing stock. It is not only a question of new houses for currently homeless people; what most people want is to be able to move out of some of the older properties into new and better quality houses. I therefore support his call to improve planning processes to allow that to happen.

Pete Wishart (Perth and North Perthshire) (SNP): When we have the debate on returning asylum seekers, may we have a good and proper look at the use of dawn raids by the immigration service? There is almost universal revulsion and embarrassment in Scotland about the use of that practice, especially with our backdrop of a falling population. Does the Leader of the House agree that because of our different immigration requirements, and because of our clearly different political values on the matter, it is time to devolve immigration to the Scottish Parliament?

Mr. Hoon: As the hon. Gentleman well knows, this is an important, sensitive and difficult issue right across the country. It cannot necessarily be dealt with on a

[Mr. Hoon]

devolved basis because it affects the whole United Kingdom. It is important, as the Government have repeatedly made clear, that we balance an appropriately sympathetic and understanding position in relation to those who are genuinely seeking asylum, as against those who are simply coming here as economic migrants. I am sure that if I came to his constituency, his constituents would take exactly that view.

Paul Flynn (Newport, West) (Lab): The vote on the smoking ban is really a vote on whether we have a partial or total ban—whether we vote for saving thousands of lives and avoiding thousands of cases of cancer, or stick to the holy writ of the manifesto. I remind the Leader of the House that not all Labour Members stood on the same manifesto, because there were different manifestos in Scotland and Wales. May we have a debate on manifestos?

Mr. Hoon: I am sure that my hon. Friend has not done this directly to me in the past, but I anticipate that he will have told Labour Front Benchers that they must stick to the manifesto. The Labour party has had great debates on those sorts of questions, but the House is not the place to debate them. I am sure that they will be debated elsewhere.

Tony Baldry (Banbury) (Con): Last year, as a one-off, the Government pumped £1 billion into local government finance because, understandably, they did not want council tax bills to go through the roof before the general election. That will not happen again this year, so it is not surprising that the Local Government Association expects council tax bills to go up by £100.

Later this month or early in December, we shall have the annual ritual of the local government finance settlement. As the settlement is always drafted in Schleswig-Holstein-style obscurity, it is almost impossible for Members to ask questions at the time. Will the Leader of the House undertake to provide a debate on this year's settlement in Government time before the House rises for the Christmas recess, so that we can all come and tell him that he is wrong about the council tax increases that will be necessary in the coming year because of the Government's failure to give financial support to local government?

Mr. Hoon: I recall the hon. Gentleman's giving the then Opposition lectures on the need to balance budgets and spend money wisely and effectively. Such observations should apply equally to local government. We must all exercise our responsibilities for financial management in a sensible way.

I regard the LGA's bid as part of its negotiating tactic. We see it every year, and it is not surprising that it has appeared this year. No doubt it is the first sign of winter, or something. These matters will be resolved, and they will be resolved in the usual way.

Points of Order

12.21 pm

Mike Penning (Hemel Hempstead) (Con): On a point of order, Mr. Speaker. Yesterday we witnessed a fantastic demonstration of democracy in Parliament when we were lobbied by the Trade Justice Movement in a wonderfully organised way. Sadly, however, a postcode lottery determined who was completely soaked in the rain outside, because people travelled here from different parts of the country. My constituents, who had travelled no further than 50 miles or so, spent four hours outside and were soaked to the skin. Meanwhile, Westminster Hall was nowhere near full. I wonder whether you, Mr. Speaker, could look into how we organise delegations to Parliament in the 21st century, so that we can treat our constituents in a much better fashion.

Mr. Speaker: I will look into the point that the hon. Gentleman has raised, but my understanding is that as many members of the public were admitted to the precincts as could safely be accommodated—and the organisers of the lobby were well aware in advance that they were bringing more people to Westminster than could be admitted to the building. The organisers of such lobbies have to take some responsibility for the consequences of their arrangements.

Mr. John Hayes (South Holland and The Deepings) (Con): On a point of order, Mr. Speaker. As you will know, the expenses of all Members have been published in the past few weeks, causing great excitement to all and sundry. You will also know that the costs of the office of the Leader of the Opposition, which are paid in Short money, are in the public domain. I am told by the House of Commons Library, however, that no equivalent information about the Prime Minister's office is available. I understand that questions have been tabled about the issue, but to no avail. Can you advise me, Mr. Speaker, on how I might be able to establish the costs of the Prime Minister's private office, in an entirely proper way, so that we can compare them with our own costs and with those of the Leader of the Opposition?

Mr. Speaker: I have received some advice myself. I understand that the Prime Minister's office is not a matter for the House of Commons.

Mark Pritchard (The Wrekin) (Con): Further to the point of order raised by my hon. Friend the Member for Hemel Hempstead (Mike Penning), Mr. Speaker. May I draw your attention to a conversation that took place in Westminster Hall yesterday? I had to attend a meeting of the Environmental Audit Committee, which, as you know, is doing fine work on climate change renewables and nuclear power. I was told that a green slip could not be taken to Portcullis House, and that I could be given one only if I was in the main building. Is not Portcullis House still part of the parliamentary estate?

Mr. Speaker: I thank the hon. Gentleman for raising the matter. I will look into it and reply to him.

Orders of the Day

Terrorism Bill

[2ND ALLOTTED DAY]

(Clauses 21, 22, 5 to 20, schedule 1, clauses 25 to 27, schedule 2, clauses 28 to 36, schedule 3, clauses 37 and 38, new clauses, new schedules, remaining proceedings)

Considered in Committee [Progress, 2 November].

[SIR MICHAEL LORD *in the Chair*]

Clause 21

GROUNDS OF PROSCRIPTION

Question proposed, That the clause stand part of the Bill.

12.25 pm

Mr. Dominic Grieve (Beaconsfield) (Con): As the Minister will know, an amendment to clause 21 was tabled but not selected. It dealt with the question of what constitutes unlawful glorification, which seems to depend on what glorification turns out to mean in the rest of the Bill. We believe that there are good grounds for proscribing an organisation that glorifies terrorist acts, because that is different from criminalising such an organisation, but I should like to understand better the nature of unlawful glorification and its relation to the meaning of glorification in clause 1. I hope that the Minister will be able to enlighten us.

The Parliamentary Under-Secretary of State for the Home Department (Paul Goggins): The hon. Member for Beaconsfield (Mr. Grieve) referred to an amendment that had not been selected, but we have an opportunity to discuss the clause. I think he agrees with the Government that proscription is an important weapon in the fight against terrorism. He mentioned the word "glorification": there was some discussion about that yesterday, and the Committee settled its opinion.

Proscription is an important weapon in the fight against terrorism, but more would be required than for an individual member of an organisation to make glorifying statements. The organisation itself would have to be aligned with those opinions. It should also be stressed that glorification of terrorism applies only when an audience can reasonably be expected to infer that what is being glorified is conduct that should be emulated in existing circumstances. Glorification of terrorism in itself is not sufficient ground for proscription.

Mr. William Cash (Stone) (Con): When deciding whether particular organisations should be proscribed, might we not encounter a difficulty? A mosque, for instance, consists of a body of people—the jurists on the one hand and the imam on the other—who may say certain things. I do not pretend to know the answer to the problem, but, as I tried to explain yesterday, we could find ourselves on extremely dangerous territory because of aspects of the universalism of the religion in question, and the interaction between religion and politics—which, in the context of the Koran, are inseparable.

Paul Goggins: Even communities such as the Muslim community have organisations and structures, although overall the Muslim religion is not as highly structured as some other religions. Each mosque has its own management committee; nothing is left to one individual. The clause relates to organisations, and it would be for Ministers to consider and make recommendations in respect of any specific organisation once all the evidence had been carefully considered.

In conclusion, I again pray in aid Lord Carlile, who has been quoted many times during our deliberations. He made the following recommendation:

> "Extending the list to include the organisations envisaged in the clause is a proportional limitation on the freedom of association in relation to the greater public good."

So he sees clause 21 as an appropriate measure and, accordingly, I support it strongly.

12.30 pm

Dr. Tony Wright (Cannock Chase) (Lab): I support very strongly what the Government are trying to do in general through this Bill, but we are right to ask for a certain amount of caution at various points, and this is probably one of them. During our proceedings, the so-called Mandela test has been raised in a number of ways. Of course, the fact is that these provisions apply not only to this country but internationally—to organisations and activities elsewhere. There is a fundamental difference between societies that have democratic, liberal political systems and those that do not, and between the appropriate political responses. We should never forget that terrorism is always an act of mass murder, but the context in which it operates is profoundly different when there are no opportunities for normal means of political opposition. So giving some kind of credence—or, indeed, support—to organisations operating in such a context is clearly different from giving it to the organisations that we are primarily dealing with today.

I suspect that in the past all of us have flirted with supporting organisations that would come a cropper under this Bill. Many of my generation had a picture of Che Guevara on their walls, and not many of us regarded Nelson Mandela as anything other than a great icon. That suggests that we should proceed with great care in making sure that we get this Bill right. Of course, in a sense these provisions apply to past activities, not just current ones. In Westminster Hall, there is a splendid exhibition about Guy Fawkes, and we can buy commemorative mugs showing pictures of the Guy Fawkes conspirators. In fact, I just met someone dressed as Guy Fawkes walking into Portcullis House, and I am sure that there are Guy Fawkes commemoration societies and various other such bodies.

We do not want to be silly about this, but the fact is that we tend to regard things that happened a long time ago rather differently from those happening currently. However, these provisions are designed deliberately to capture past associations, too, and all that I am doing is asking the Government please to proceed with some care and caution.

Mr. Peter Robinson (Belfast, East) (DUP) *rose—*

Mr. Kenneth Clarke (Rushcliffe) (Con): I want to press the Minister to give us a little more detail on

[Mr. Kenneth Clarke]

exactly how this provision will be applied. I agree with what has just been said, in that the wording is very broad and could cause difficulties. The Minister gave no specific examples of what he thought might be unlawful conduct leading to an organisation's being proscribed. I shall give a more recent—and still sometimes sensitive—example than the perfectly reasonable ones given a moment ago.

As we all know, in Ireland there are plenty of gatherings at which people will start singing republican songs that glorify very violent conduct, and I believe that there are some loyalist equivalents, as well. The situation in Ireland is very much improved, but there are still extremists there. The current end to violence, which we all hope will last, can prove somewhat fragile when tensions arise in Ulster, and I wonder whether the past glorification of terrorism as contained in the lyrics of many Irish republican songs could be regarded as unlawful conduct.

Mr. Robinson *rose—*

Mr. Clarke: The Bill seems not to require that, to be caught by this provision, the person or organisation singing the republican songs must be intending to provoke further violent conduct; it is simply a question of whether it might reasonably be expected that someone will take from such songs a general encouragement to emulate such conduct in current circumstances. I can think of situations where that might be so—if, for example, an event were taking place in the Province at a very sensitive time. I give this example so that the Minister can offer some insight into how such a situation might be affected by this clause.

The phrase

"glorification . . . of acts of terrorism"

is vague and is such an innovation that it will be susceptible to very wide interpretation at various future points. I am not sure why it has been included. I am entirely content that organisations be proscribed that in other ways are plainly trying to encourage violent activities. Given yesterday's very narrow majority, may we have an assurance that the Government will consider before Report whether this vague term—the "glorification" of such conduct, be it in the past, present or future—might not more sensibly be removed from the Bill altogether?

Mr. Peter Robinson: In attempting to intervene earlier, I wanted to make a point similar to that made by the right hon. and learned Member for Rushcliffe (Mr. Clarke). I can foresee circumstances in which the police might have to scoop up half the population of Northern Ireland. Some, for example, glorify the 1916 rebellion, and parades are regularly held to glorify those who were arrested in the post office and later executed. A large section of the community glorifies the actions of 1912 and the defiance of the Ulster volunteers; indeed, even today there are bands named after the Ulster volunteers. All such forms of glorification would clearly be caught by the net of this Bill. The only criterion that the Government have offered is the Director of Public Prosecutions' sensible use of the legislation. If I may mix my fishing metaphors, the only way for such people not to be caught by this legislative net is for the DPP to let them off the hook. That is hardly satisfactory. How do the Government view those major commemorative occasions in Northern Ireland and the actions that are likely to flow from them?

Mr. Cash: I very much endorse the views expressed by my right hon. and learned Friend the Member for Rushcliffe (Mr. Clarke) and the hon. Member for Belfast, East (Mr. Robinson). The glorification provision, to which I have tabled a number of amendments, takes us into extremely dangerous territory. It will lead to extremely unproductive discussion and invite the problems that I mentioned earlier in an intervention on the Minister.

I think that I heard the Home Secretary suggest this morning on the "Today" programme—he will correct me if I am wrong—that the glorification provision was an important but not essential part of the Bill. Given the circumstances and the narrow majority for this provision of just one vote, to which my right hon. and learned Friend the Member for Rushcliffe referred, I hope that I can infer from the Home Secretary's comments that the Government are not going to insist on it. If it proceeds to the House of Lords, it will get into increasingly deep trouble. I sat through the whole of yesterday's debate and I cannot remember a single Member—apart from Government Front Benchers—saying a single word in favour of including the glorification provision in the Bill.

My right hon. and learned Friend the Member for Rushcliffe was right to say that we must deal with other aspects of incitement to terrorism and the proscription of terrorist organisations. However, it is simply absurd to introduce the notion of glorification to deal with the mischief that terrorism presents.

With respect to the hon. Member for Cannock Chase (Dr. Wright), I must point out that not only past associations are important in this respect. Present associations must also be taken into account. Yesterday, I spoke about the Catholic martyrs of the 16th century, to whom Catholic services still constantly refer. Beatification is still an issue, as is the fate of people such as St. Edmund Campion and others. For instance, in the persecutions of the late 16th century, 30 people who attended my old school were martyred. They were hung, drawn and quartered, and services are held at regular intervals to glorify them.

Martyrdom, whether religious or political, is not confined to the past. It happens in the present, and will continue to happen in the future. People will continue to act in ways contrary to the circumstances of the present, and the law must deal with that. Inserting into the Bill a notion of glorification, unlawful or otherwise, is extremely dangerous, as it will encourage much uncertainty and unnecessary hostility.

Mr. Richard Shepherd (Aldridge-Brownhills) (Con): I listened respectfully to the Minister, but I agree with everything that has been said by other hon. Members about the clause.

Clause 21 is very anti-history—so much so that it seems that Parliament is trying to strike a blow against the past. Most of the countries that we hold in high esteem have a myth about their creation and celebrate,

for instance, a glorious revolution or the overthrow of a colonial power. Their histories are often held up as examples of how direct and positive action can bring about change for the better.

Holding up as such an example, even the progress to liberal democracy, if that involved acts covered by the terms of the Bill, would be deemed fundamentally unlawful. However, that is often the truth behind many modern societies.

We reason by cases, and the United States is worth considering in that connection. President Bush, like all his predecessors, is almost obliged to esteem the actions of those who rose against Britain's sovereignty in America's internal affairs. Another example is Italy's revolt against the Austrians. Garibaldi sought the emancipation, in one sense, of the south of Italy, and was treated as a national hero when he arrived here: all of London turned out to celebrate the courageous acts of one of the great 19th century figures.

I know that the Home Secretary will say that all that happened a long time ago. In the historical analysis that he presented on Second Reading, he said that he considered progress to be ineluctable. We know that it is not; what we think of as progress can turn out to be regress, and it is possible that that is what is happening in certain central Asian states today.

The notion of glorification as presented in the Bill goes against the principles of liberal democracy that the Home Secretary is endeavouring to protect. In his endeavours, he contradicts something that is profoundly important to our society.

Mr. Gordon Prentice (Pendle) (Lab): Clause 21 explains that the notion of a glorifying statement includes "a communication without words". Would a person therefore be caught for wearing the wrong lapel badge? Could someone end up in jail for wearing the wrong T-shirt?

12.45 pm

Rob Marris (Wolverhampton, South-West) (Lab): I have reservations about the wording of clause 21, and much sympathy with what has been said already in that connection. I hope that my hon. Friend the Minister will be able to assure me later that I have misread the clause, but my interpretation is that, for example, a UK citizen singing rebel songs with the Clancy Brothers in a New York bar could be arrested on returning to this country.

Furthermore, my reading of the clause suggests that a record company distributing records by groups such as the Clancy Brothers could become a proscribed organisation. In the same way, the distributors of Neil Jordan's film "Michael Collins", which came out five or six years ago and which I suspect most hon. Members will have seen, could become a proscribed organisation in the UK. That is because it could be reasonably expected that some people living in Ireland's 32 counties might start emulating the activities with which Michael Collins was associated in the period between 1919 and 1921. Those activities included blowing up British forces and, on occasion and by accident, civilians.

Under the terms of clause 21, could film distributors also become proscribed organisations?

Mr. Grieve: I am very grateful to all those who have participated in this short debate, which has highlighted some of my anxieties about the clause. My party accepts that a problem exists in connection with organisations in this country that regularly glorify acts of terrorism currently taking place around the world, and that that problem must be addressed. As so often, however, there is a difficulty with how the clause is worded.

In its present form, clause 21 is a catch-all provision. It could be used to proscribe any organisation that glorifies any past act of terrorism. When I was at university, many left-wing organisations gloried in all sorts of activities that took place in the past. An example of that might be the peasants revolt, whose acts of terrorism were especially—and regrettably—targeted against lawyers.

If a group is founded that calls itself the John Bull society, for instance, or the Wat Tyler club, its aim might be to promote radical political change. Such organisations might well draw inspiration from figures from the past who committed acts of violence, but the result is that they would be liable to be caught by clause 21. The Minister will no doubt fall back on the old mantra and say, "It's all right, the DPP will know how to distinguish between various groups," but that will not be good enough.

If the Government want to go down this road, they must produce a coherent argument that makes it clear what they are aiming at. They must narrow the definition sufficiently to allow the Committee as a whole to agree about the groups that would be caught. Otherwise, the Bill will create an absurdity, with endless challenges when attempts are made to proscribe organisations.

Without that narrower definition, there will be allegations of unfairness. Other organisations will be brought into the argument, and it will be contended that all sorts of bodies celebrate past violence. The Government should focus attention on the clause's use of the expression

"whether in the past, in the future or generally".

I accept that the matter is not an easy one but, if it turns out to be impossible to produce coherent grounds for proscription, that would be a good reason for saying that we should not have the clause at all.

I do not intend to force a vote at the end of this debate, as I support the Government's underlying intention with the clause. I believe that Ministers will consider the other, linked issues relating to glorification between now and next Wednesday, when the Bill returns on Report. I hope that they will reassure the House then that there is a form of words that meets the Government's intended target. Otherwise, the Government should not be aiming at a target at all, regrettable though it might be that that would allow some organisations to glorify terrorism. I hope that the Minister will be able to provide us with some reassurance that the Government will go away and consider that.

Mr. Alistair Carmichael (Orkney and Shetland) (LD): We have had a useful discussion, but one aspect that needs to be emphasised is an echo of yesterday's discussion on clause 1. It is a fact that it is possible for an individual, as well as an organisation, to fall foul of the provision merely because of a perception

[Mr. Alistair Carmichael]

on somebody else's part. We should criminalise the intent of the individual or organisation, not the way in which somebody else might see their actions. Many organisations that try to highlight issues in connection with places such as Palestine or Kashmir will have to tread an exceptionally fine line, and it should not be the business of the House to proscribe their activities simply because somebody else may feel that they have crossed that line.

Paul Goggins: As I predicted earlier, some of the discussion on this clause has reflected our earlier considerations in Committee. I can tell the right hon. and learned Member for Rushcliffe (Mr. Clarke), his hon. Friends and, indeed, all hon. Members, that the Home Secretary continues to listen very carefully to all the discussions that take place during the Committee stage of this Bill—and rightly so; that is the purpose of a Committee stage.

Now, these are the best words that we can produce. Perhaps in the end they will turn out to be the best words possible, but of course we shall consider all these discussions in Committee—

Mr. Kenneth Clarke *rose—*

Paul Goggins: Will the right hon. and learned Gentleman give me a second, because I was about to come to the point that he raised? He asked me for specific examples, and some of our discussions have related not to the specific issue that we are discussing here, which is proscription, but to the conduct of individual people. With individual people, it would be for the courts to determine whether glorification had actually taken place in a specific case. Now, however, we are discussing glorification by an organisation to an extent that requires it to be proscribed.

Mr. Clarke: The clause extends the existing definition in the Terrorism Act 2000. My recollection is that no one in the House objected to the powers taken in 2000 to proscribe organisations promoting terrorism. However, clause 21 implies that the Government have had a difficulty—that they have wanted to proscribe an organisation but because what it was doing was glorifying past terrorism, they were unable to do so. The Minister may be able to cite some particular organisation, or at least to describe anonymously some problem that has arisen involving an organisation that ought to have been proscribed, but as its activities were based on glorification of martyrs, past causes, freedom fighters or whatever, in some other part of the world, it could not be proscribed. I am not aware of the Government having been prevented from using their powers in such circumstances. Can the Minister let us know what provoked this measure, and why it is necessary to extend the definition? What are the organisations that now get through a loophole that will be closed by the strange introduction of the concept of "glorifying" as a particularly worrying action?

Paul Goggins: I cannot give the right hon. and learned Gentleman a specific example, but I can tell him that it is important that we have the necessary powers in place where it is necessary to proscribe organisations that glorify acts of terror—acts that, as my hon. Friend the Member for Wolverhampton, South-West (Rob Marris) reminded the Committee earlier, are acts of mass murder.

Because of his knowledge of the previous legislation, the right hon. and learned Gentleman will know that when the Home Secretary takes the view that a particular organisation should be proscribed, he does so not on a whim, but with great care and judgment. He then has to come to both Houses of Parliament for approval under the affirmative resolution procedure. Indeed, under the existing legislation and the existing rules, we did exactly that a couple of weeks ago. Not only is care taken with the initial decision, but that decision then has to be agreed and affirmed by both Houses.

Mr. Cash: If we were to go through the clauses in which the term "glorification" crops up—including the definitions at the end of the Bill, the convention offences and the other stuff with which the Minister will be familiar—and we stick to the wording, but exclude all the subsections and paragraphs that include a reference to "glorification", we would still deal with the mischief that the Minister and the rest of the Government seek to overcome. That is a sensible proposition—and we would also link the provisions to the proscribed organisations, while knocking out the increasingly threadbare argument that the notion of glorification adds anything useful to the process. In fact, that notion is dangerous and unproductive. Furthermore, some have said—I do not want to make this into a certain accusation—that it was the Prime Minister who used the word "glorification" at some stage. Some people have suggested that this is a sort of face-saving operation. However, the real question is whether we are going to deal with the mischief that glorification would include. Am I getting a sense, from what the Minister is saying, that the Government are having second thoughts?

Paul Goggins: We are not having second thoughts, but we always listen carefully to the hon. Gentleman, who yesterday in Committee made a number of constructive interventions and speeches. I assure him that we continue to listen to him.

Rob Marris *rose—*

Mr. John Denham (Southampton, Itchen) (Lab) *rose—*

Paul Goggins: I shall give way to my right hon. Friend the Member for Southampton, Itchen (Mr. Denham).

Mr. Denham: I apologise to my hon. Friend the Minister and the House for having joined the debate somewhat late. A moment ago, my hon. Friend said that the target of the measure was organisations that glorified terrorism, and he referred specifically to the causing of mass murder. Does he accept that many of us are concerned because our definition of terrorism is much wider than that, and that were the Government to

limit the scope of the Bill to mass murder and similar acts, we would be much more comfortable with what is proposed?

Paul Goggins: The listening exercise continues, not least with my right hon. Friend. I was simply repeating the words used by my hon. Friend the Member for Wolverhampton, South-West, who said that acts of terrorism were acts of mass murder.

Rob Marris *rose—*

Paul Goggins: My hon. Friend may have other thoughts as well, which he may share with us, now or in the future. My right hon. Friend the Member for Southampton, Itchen has made many contributions to the debate, and continues to do so. We listen to him very carefully.

Rob Marris: In response to the right hon. and learned Member for Rushcliffe (Mr. Clarke), my hon. Friend said that he could not give any examples of organisations that would be caught by this measure but were not already caught by the proscription provisions in the 2000 Act. I mentioned earlier, as a concrete example, the distributors of the film "Michael Collins". Can the Minister tell me whether, were the clause to become part of an Act, they would be caught by these provisions? If not, why not?

Paul Goggins: I was about to come to my hon. Friend's question, so now is definitely the time to deal with it. When making a judgment, my right hon. Friend the Home Secretary will of course look at all the evidence, and I find it highly unlikely that a record company would be considered worthy of proscription in the way that my hon. Friend the Member for Wolverhampton, South-West described.

My hon. Friend, and several other right hon. and hon. Members, referred to matters of history. I invite them to read paragraphs (a) and (b) of suggested new subsection (5B) of section 3 of the 2000 Act, which makes it clear that we are talking about

"conduct that should be emulated in existing circumstances".

Stewart Hosie (Dundee, East) (SNP) *rose—*

Mr. Grieve *rose—*

Paul Goggins: I will give way in a moment.

People have spoken about Irish Republican songs, Guy Fawkes and so on, and those are connected with historical events—but the question is: is the conduct that is being glorified

"conduct that should be emulated in existing circumstances"?

That is very precise wording, and it is very important.

Stewart Hosie: I appreciate the comments on history, but I am sure that many of my colleagues and many Labour Members will have attended, within living memory, fringe meetings at party conferences with SWAPO members, Sandinistas or people from Kurdistan. Such events are also highly likely to happen next year or the year after. It is not all ancient history. Would applauding someone from the Sandinistas or SWAPO for a legitimate struggle be covered by this catch-all provision and is not that the real problem with clause 21?

1 pm

Paul Goggins: If I repeat myself, I apologise to the Committee, but I wish to draw a distinction between what may be described as cultural events or those that celebrate a part of our collective memory, such as Guy Fawkes and bonfire night, and people who glorify acts of terror to try to encourage similar acts here and now in existing circumstances.

Mr. Grieve: Clause 21 states:

"The glorification of any conduct is unlawful for the purposes of subsection (5A) if there are persons who may become aware of it who could reasonably be expected to infer that what is being glorified, is being glorified as... conduct that should be emulated".

If one celebrates the life of Michael Collins, it will be to some people a celebration of a historical phenomenon, but for others it might be a live issue because they believe that they are emulating Michael Collins by killing people in Northern Ireland. How does one make the distinction? The phrasing of clause 21 does not succeed in making that distinction, and I could cite countless other examples.

Paul Goggins: The hon. Gentleman and I have shared many a happy hour in Committee on this and many other Bills. Normally, he is good about reading out the whole of a particular provision, but he has just missed out the three vital words, "in existing circumstances". As I have been arguing, those are very important words.

Richard Burden (Birmingham, Northfield) (Lab): I wish to give my hon. Friend an example of something that might happen. The hon. Member for Dundee, East (Stewart Hosie) mentioned the Sandinistas, and the history of that part of the world still often leads to cultural events, many involving music. Let us suppose that a further assassination happened in South America, as Pat Robertson has urged, and that that led to a military coup in Venezuela. That might lead to people thinking that resistance to that regime might be justified. If somebody glorified the Sandinistas at a social event and referred in some way to the awful things that were going on in Venezuela, would they commit an offence under this Bill?

Paul Goggins: The point that I am making has to be seen in the context of the clause that we are discussing. We are not discussing individual conduct, but the criteria by which a particular organisation could and should be proscribed. I emphasise to my hon. Friend that the clause is not about the conduct of individuals, but the conduct of organisations. I shall not speculate about specific examples.

I shall now bring my remarks to a close. We seem to have got off to a lively start, and that is to be welcomed.

Chris Bryant (Rhondda) (Lab): Will my hon. Friend give way before he concludes?

Paul Goggins: My hon. Friend is an assiduous contributor to our important debates and I happily give way to him.

Chris Bryant: My hon. Friend has troubled me by what he has just said. In 1986, I attended the funeral of a boy who had had petrol poured over him and been set alight by Pinochet's police in Chile. Everybody who attended the funeral was then proscribed from any political engagement in Chile. That is the kind of connection that some people are very anxious about. I do not see how the words "in existing circumstances"—an odd grammatical phrase—help us.

Paul Goggins: What is not helpful is the confusion that has emerged in the debate between individual conduct, which would be prosecutable under the powers in the Bill as a whole, and the criteria in this clause, which has to do with the proscription of organisations. There is a distinction to be drawn between the two and I ask my hon. Friend to reflect on that.

In conclusion—

John Bercow (Buckingham) (Con): Will the Minister give way?

Paul Goggins: How could I not give way to the hon. Gentleman, having given way to so many other hon. Members?

John Bercow: I am grateful to the Minister for giving way and I apologise for coming late to the debate. This is in no sense a tendentious observation or challenge, but a question born of lack of understanding. In new subsection (5B)(b), what do the words

"conduct of a description of conduct that should be so emulated"

mean and why is it necessary in addition to the provision in (5B)(a)?

Paul Goggins: I have learnt that the hon. Gentleman usually asks questions well worthy of consideration. I shall consider his question carefully after our deliberations, but the provision is about glorification of a particular event in a way that encourages others to emulate that event in existing circumstances. I shall give the hon. Gentleman a more precise answer at some point.

I shall now bring my remarks to a conclusion by reminding the Committee that the clause is about the proscribing of organisations. As I said to the right hon. and learned Member for Rushcliffe (Mr. Clarke) earlier, if an organisation is to be proscribed, the Home Secretary will need to make careful judgment and bring that judgment to be tested by this House and the other place, which is part of the proper procedure by which we proscribe organisations. It is not up to the individual whim or judgment of the Home Secretary, no matter how careful or assiduous he is. In the end, it is for the House to decide whether an organisation should be proscribed and I hope that that assures members of the Committee that they will have the final say.

Rob Marris: The problem with the wording that the hon. Member for Buckingham (John Bercow) mentioned is that the first "of" should read "or". I am glad that my hon. Friend the Minister has said that he will have another look at the issue, but I remind him that I gave a specific example of an organisation, not an individual. I chose the example of the distributors of the film "Michael Collins" because some people in the 26 counties and, indeed, the Six Counties of Northern Ireland, believe that the unification of Ireland is unfinished business. Rightly or wrongly, many people think that and they do so "in existing circumstances". My hon. Friend claimed that an organisation would need to glorify conduct in order to encourage its emulation to fall foul of the provision, but the wording in new subsection (5B) talks of someone

"who could reasonably be expected to infer".

Some people who saw the film "Michael Collins" might infer from it that their conduct in existing circumstances today should be to engage in violent conduct to finish the business in Ireland of uniting the 32 counties. It would be very wrong of them to engage in such activities, as we would all agree, but such conduct might be inferred from the film. I therefore strongly urge my hon. Friend to have another look at the provision because the distributors of that film could fall foul of it in all innocence.

Question put and agreed to.

Clause 21 ordered to stand part of the Bill

Clause 22 ordered to stand part of the Bill.

Clause 5

PREPARATION OF TERRORIST ACTS

Mr. Carmichael: I beg to move amendment No. 87, page 7, line 22, after 'any', insert 'relevant'.

The Second Deputy Chairman of Ways and Means (Sir Michael Lord): With this it will be convenient to discuss amendment No. 88, page 7, line 27, at end insert—

'( ) In this section "relevant conduct" means conduct of a description specified in an order made by statutory instrument by the Secretary of State.

( ) A statutory instrument containing an order made by the Secretary of State under this section may not be made unless a draft of the instrument has been laid before, and approved by a resolution of, each House of Parliament.'.

Mr. Carmichael: It may assist the Committee and the Minister if I explain that these are probing amendments whose genesis is in discussions that we held. Liberty, in particular, had concerns about the drafting of the clause and its somewhat wide scope.

I should say at the outset that we have argued for an offence of this sort in the past and I warmly welcome its inclusion in the Bill. I certainly support the general thrust of the clause, but we should be clear that what we are doing will mark a radical departure. The Minister may be able to correct me, but I cannot think of another occasion when we have criminalised conduct that is so inchoate that it could not be caught by other inchoate offences such as conspiracy, attempt or other species in the criminal law.

Given the times in which we live, such a departure is necessary and there will be no argument about that from the Liberal Democrat Benches. However, if we are to take new and different directions such as that, it is important to get things right, especially because, as the Committee will see, this is an offence for which one can be sentenced to life imprisonment.

To accentuate the positive, I certainly accept the presence of "intent" in the commission of the crime, such that

"a person commits an offence if, with the intention of . . . committing acts of terrorism, or . . . assisting another to commit such acts".

That is a helpful and necessary inclusion. Concern was expressed to us by Liberty, however, that because of the wider drafting of later parts of the clause it might not be too difficult for a court to infer intent in a way that was not necessarily intended by the Committee.

Our amendment would include the word "relevant" in subsection (1) so that engaging "in any conduct" becomes engaging "in any relevant conduct" and would give the Secretary of State power to define what constitutes relevant conduct, and to do so through statutory instrument. I accept that such a definition will necessarily be wide and broad. We propose the creation of a statutory instrument so that we would not have to revisit the matter in primary legislation, should changing circumstances render it necessary to change the definition.

As I have already said, the amendments are probing and I am keen to hear the Minister's thinking about the clause.

Mr. Grieve: The hon. Member for Orkney and Shetland (Mr. Carmichael) raises an important point. It is not an easy matter; the criticism that can be made of the approach he advocates is that if a list has to be produced of what the acts happen to be, it could become unnecessarily prescriptive. One cannot always predict the act or conduct that first highlights the intention to give effect to committing an act of terrorism.

It is worth bearing in mind the possible scope of the legislation, however. In that sense, it is similar to the old treason statutes—compassing and imagining the death of the king. One would not have to do very much to be liable to imprisonment for life. If someone decided that they wanted to become a terrorist and the first thing they did was to buy a new suit to wear on the day that they blew themselves up, they would be liable, without doing anything else, to imprisonment for life, if it could be proved that the buying of the suit was linked to the intention to become a suicide bomber.

That example seems rather a good one because, on the face of it, such a situation would be caught by the clause. I do not know how much reassurance the Minister can provide about how the clause would work in practice. That is what we need to examine. As the Minister knows, we have not expressed opposition to the clause in theory but as so often happens the theory, the detail and the practice—how the measure operates—are different things.

Chris Bryant: The hon. Gentleman said that he had given a good example. I am not sure that it is. There may be a necessity to tidy up the clause, but how would he prove that buying the suit was linked to the intention to commit a terrorist act without someone having engaged in something that was ostensibly part of such an act?

1.15 pm

Mr. Grieve: Very simply. The person tells a neighbour or a friend that he has decided, because he is so horrified about the state of the society in which he lives, that he intends to become a terrorist—

John Bercow: Or tells his tailor.

Mr. Grieve: I am most grateful to my hon. Friend. Often confidences are imparted to one's tailor or to the person in the shop. The person might communicate that, and on its own it would be sufficient to render them liable to imprisonment for life. I see that the hon. Member for Rhondda (Chris Bryant) is shaking his head in his usual way and rolling his eyes, but that is the scope of the legislation that we are putting on the statute book.

Chris Bryant: It is fanciful.

Mr. Grieve: The first thing one should do when considering legislation is to conclude how it may work in practice, and in practice that example would not be fanciful for the person concerned. When the Minister responds, I should be grateful if he would enlighten us about how he sees the clause operating in practice. Perhaps he could give us some examples of the categories of conduct that the Government are trying to catch. Clearly, that is important and it might provide some justification for the amendment proposed by the hon. Member for Orkney and Shetland, although as I acknowledged at the outset there are difficulties with the amendment, as I think he agreed.

Mr. Peter Robinson: I caution against the amendment. The wording of the clause is such that the inclusion of the word "relevant" is not necessary. Its only purpose is as something on which to hang the subsequent amendment, which defines aspects of relevant conduct. However, that list could be so extensive that the Government could not possibly envisage what its future terms might be—whether catching a bus, buying a battery or a cell phone; the list could go on for ever.

The fact that the provision would be implemented through secondary legislation does not satisfy me. That would mean that the Government were always chasing the terrorists. An event would occur that was not within the scope of the legislation, so they would have to release the person from custody while they brought in new legislation or updated the law to take the new conditions into account.

The proposal is fraught with difficulties and I much prefer the language in the Bill.

Paul Goggins: I am grateful to the hon. Member for Orkney and Shetland (Mr. Carmichael) for tabling what he acknowledged were probing amendments. I hope to explain why the Government do not find it possible to support them, but I am grateful for the opportunity to discuss them.

The purpose of the offence of acts preparatory, which was suggested during our earlier debates on terrorism legislation, is to enable the prosecution of people known to have instigated an act of terrorism or to have been planning or preparing to commit an act of terrorism. I am delighted that there has been a general welcome for that provision. The hon. Member for Orkney and Shetland reiterated that during his comments and it has been expressed on both sides of the Committee.

We all realise that the need to protect the public means that the police and security services must intervene early when they become aware of a terrorist

[Paul Goggins]

cell. It may not be possible to know the precise atrocity that was being planned—indeed, the terrorists themselves might not have made up their minds about a specific target; nevertheless, the offence requires clear evidence of intent to commit a terrorist act, which is of course a serious criminal matter, as the hon. Gentleman said.

The hon. Member for Beaconsfield (Mr. Grieve) rightly emphasised that the key feature of the "acts preparatory" offence is that it can be used when terrorists' exact plans are unknown. He asks how this will work in practice. I am sure that he well understands that preparatory acts can be proven to have taken place only when the connection is made between the specific action and the terrorist act itself. Purchasing a car on its own is not an act preparatory to terrorism, but once it has been connected to the act of terror, it becomes a preparatory act. I am sure that the hon. Gentleman appreciates that.

Obviously, the offence must be drawn widely to include all the possible acts that could be preparatory acts. Attempting to create and maintain a list of all those acts that could be considered as being preparatory to a terrorist attack would be, frankly, impossible, as the hon. Gentleman made it plain before. If we had a list that included buying a suit, we would have a very long list indeed. Of course that would not be a practical or feasible challenge.

The second and perhaps more important point is that it is likely that any list would be reactive. In other words, we would learn about preparatory acts based on the last terrorist atrocity, rather than being able to anticipate what might come in the future. It would be possible for mischievous terrorists to work their way around that provision if we were to include it in secondary legislation, as the amendment suggests.

We need an open situation where any preparatory act that can be linked to terrorism is captured by the offence. The risk of terrorists devising new methods of preparing for terrorist acts is too great to allow such an approach. We cannot give the opportunity to terrorists to evade prosecution in that way. Again, Lord Carlile has described clause 5 as

"a proportional and proper response to achieve the criminalisation of the conduct described."

I conclude by once again thanking hon. Members on both sides of the Committee for their warm and general support for this new provision on preparatory acts. We hope that it will help us to bear down more successfully in future on those who would carry out acts of terror against innocent people.

Mr. Carmichael: I thank the Minister that very useful exposition of the Government's thinking. It may yet prove helpful to those who are required to try to discern Parliament's thinking at this stage. I should perhaps have been clearer in moving the amendment. I was looking not for a list such as he and other hon. Members have mentioned, but for some sort of broad definition. I fear that this may yet prove problematic. However, I fully accept that the inclusion of intent in the creation of the offence is a very important safeguard. Given the Minister's assurances, I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Question proposed, That the clause stand part of the Bill.

Rob Marris: May I tell my hon. Friend the Minister that the wording of clause 5 underscores yet again the difficulties that we have as legislators in defining terrorism? Given the way the clause is worded, as I understand it, if I give 25p to collection for the Karen National Liberation Army in Burma, I can be sentenced to life imprisonment. As someone who wishes to fight oppression and has been political all his life, and recognising that the state of Burma is in no way democratic, that it should be resisted and that that resistance should occasionally take a quasi-military form against the military, I find that outrageous. Given the difficulty with the lack of clarity about what is terrorism, if I give 25p to the KNLA or a similar organisation, I can go to prison for life.

Paul Goggins: In response to my hon. Friend the Member for Wolverhampton, South-West (Rob Marris), who wants to take us into slightly wider territory, I can only repeat that clause 5 deals with preparatory acts, that it has been warmly welcomed by both sides of the Committee and that Lord Carlile sees it as being proportionate. My hon. Friend admits in his contribution that he wants to take the debate wider than that. He has concerns about the definition of terrorism. No doubt, we will return to those issues in future, and I am sure that he will have the opportunity to make his concerns clear to the Committee again.

John Bercow: I feel certain that the Minister did not intend simply and in a cavalier fashion to brush aside the extremely important point made by the hon. Member for Wolverhampton, South-West (Rob Marris), but I put it to the Minister that this is not a wider issue: it is germane to clause 5. For an organisation to plan and commit an act of terrorism, it requires explosive devices, munitions or a combination of the two and they must be purchased, and in making such a donation, the hon. Gentleman is therefore providing the organisation with the wherewithal to do so. I would be very anxious if we lost his services. I might have made a financial contribution to the Karen National Liberation Army and therefore I also speak with the authentic voice of self-interest in the matter.

Paul Goggins: I meant no disrespect to my hon. Friend—I am sure that he did not take my comments that way—and I certainly mean no disrespect to the hon. Gentleman. He gives me an opportunity to make it clear to the Committee that the example of the Burma donation ignores the point that, under clause 5, the accused must himself intend to commit or carry out an act of terrorism or assist in doing so. So simply making a financial donation would not be caught by the offence.

Several hon. Members *rose—*

Paul Goggins: I note that, just when I intend to sit down, hon. Members leap up in great numbers.

Sir Robert Smith (West Aberdeenshire and Kincardine) (LD): Should I make a speech if that would be more useful, Sir Michael?

The Second Deputy Chairman: I think that the hon. Gentleman is intervening.

Sir Robert Smith: The use of the word "or" in clause 5(1) is important.—*[Interruption.]* It says:

"A person commits an offence if, with the intention of . . . committing acts or terrorism, or . . . assisting another to commit such acts".

Surely financing someone who plans to commit a terrorist act constitutes giving useful assistance to that person.

Paul Goggins: I want to make it abundantly clear that there must be active participation in the preparation of the act. Simply giving a financial donation in the manner that my hon. Friend the Member for Wolverhampton, South-West (Rob Marris) suggested would not be caught by the offence. As always on such occasions, we listen carefully to the points made in Committee. Of course, if improvements can be made to make things clearer in the Bill, we would consider making them. I can assure my hon. Friend that his 25p donation would not be caught by the legislation.

Mr. Grieve: If I decided to give £5,000 to Hezbollah, would that be caught, or not?

Paul Goggins: I make the point again: it is not the remote giving of money, no matter how substantial the donation may be, but the active involvement and engagement in planning to carry out an act of terrorism that is relevant. In taking action that prepares for that act to be carried out, someone would fall foul of the offence. The remote giving of money is not caught by the offence.

John Bercow: The Minister is being very good natured and generous in these exchanges, which is seriously appreciated, but we must be careful about the use of the word "remote" as though that disposed of the argument. Building on the point made by my hon. Friend the Member for Beaconsfield (Mr. Grieve), may I put it in these terms: what if someone, in making that £5,000 contribution to Hezbollah, sent with his or her cheque a letter saying, "I'm a keen supporter of your organisation. I recognise that you need funds. Here is some money to enable you, in terms that you think fit, to advance your objectives."? Would that person then be caught?

Paul Goggins: I would probably need to take further advice, but someone who makes financial contributions to a terrorist organisation would very likely be caught by other legislation if they were as actively engaged in doing so as the hon. Gentleman suggests. I would argue that there is a distinction to be drawn between a perhaps unknowing contribution to an organisation when the individual may not be fully aware of its programme or remit and the very clear commitment that someone who handed over £5,000 with a note saying, "I fully support your objectives." Clearly, there is a big difference.

Mr. David Heath (Somerton and Frome) (LD): *rose—*

Paul Goggins: I shall sit down in a moment, and if other Members wish to make speeches, they should be free to make them—of course, it is your decision, Sir Michael, to allow them to do so.

There is a distinction to be drawn. I am happy to take further advice. Of course I am also happy to ensure that we have got the wording as tight as possible in view of the comments that have been made. I remain quite happy about it; but, on reflection, we may be able to improve it still further.

1.30 pm

Mr. Heath: I just want to tease a little more out of the Minister on this—*[Interruption.]* I do not want to tease the Minister; I simply want him to understand the important point that is being made.

I am clear about the Government's intentions regarding the clause, which the Minister knows that we support. However, we must consider the clause's current wording. If, for the purpose of argument, we excise subsection (1)(a) from the clause, it reads:

"A person commits an offence if, with the intention of . . . assisting another to commit such acts, he engages in any conduct in preparation for giving effect to his intention."

The person's intention is thus assisting another person to commit such acts, rather than direct involvement, as the Minister suggested. The conduct that would be required to commit an offence would simply be conduct in preparation for giving effect to that intention.

Although the clause—inadvertently, I think—goes wider than intended, that does not cause me great difficulty and would not stop me from supporting it. However, it will be necessary to consider the measure again on Report, including in the context of the definition of terrorism.

Chris Bryant: I sympathise with what the hon. Gentleman says. However, I wonder whether the problem lies in the last "his" in subsection (1). Whose intention are we talking about? If the clause referred to the intention of the person who was going to commit the act of terrorism himself, that would be different from the intention of the person who was merely assisting.

Mr. Heath: That would indeed be different, but the wording could not possibly bear that construction. It is quite clear that that word "his" refers to the person who may or may not be committing an offence. If we can clarify the matter on Report, we will be in a slightly better position.

Sir Robert Smith: My hon. Friend the Member for Somerton and Frome (Mr. Heath) makes an important point about the way in which the clause could be interpreted. The Minister said in reply to the hon. Member for Buckingham (John Bercow) that other legislation could deal with people who made financial donations, but that would not prevent someone from

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committing more than one crime through the same act. If the Government have drawn the clause too widely, a person could be caught both by it and other measures.

Subsection (3) seems to suggest that a person who commits an offence under the clause will face a mandatory life sentence. Why did the Government think that the sentence should be mandatory? Will the Minister clarify why the courts should not have more discretion to consider the weight of sentence for such a crime?

Paul Goggins: I said that I would need to take advice on whether other offences would be committed and I certainly intend to do that.

The purpose of the clause is clear. The accused must be engaged in preparing for a specific act of terror and, certainly, assisting to carry it out. There is a specific relationship between the act preparatory to terrorism and the act of terrorism itself. I assure hon. Members that I will want to satisfy myself that the current wording achieves the objectives that we want.

Mr. Grieve *rose—*

Paul Goggins: I just want to respond to the question asked by the hon. Member for West Aberdeenshire and Kincardine (Sir Robert Smith). The clause provides for such a penalty because an act preparatory to an act of terrorism, which can wipe out the lives of innocent men, women and children, is serious. It is quite right for such a serious act to carry the highest possible penalty.

Mr. Grieve: I was about to try to help the Minister. The hon. Member for West Aberdeenshire and Kincardine (Sir Robert Smith) was suggesting that the penalty was mandatory, but that cannot be correct. The words "shall be liable" in subsection (3) effectively mean that a person shall be at risk, on conviction on indictment, of imprisonment for life, so the sentence could be anything from a probation order to imprisonment for life.

Paul Goggins: I am grateful to the hon. Gentleman for his intervention. We have had many such discussions in the past. It is of course not for us to define precisely what the penalty should be. A judge will decide the appropriate penalty after considering all circumstances. However, if a person is preparing for an act of terror that could wipe out people's lives, life imprisonment is an appropriate penalty that should be available.

Mr. Heath: I do not want to detain the Minister much longer. He is of course right that the offence is most serious, so such a sentence should be available. I think that my hon. Friend the Member for West Aberdeenshire and Kincardine (Sir Robert Smith) wished to be reassured that the sentence would not be mandatory. I add in parentheses that the offences in clause 6 regarding training for terrorism, which allows people to commit such ghastly crimes, carries a much lower penalty, which is perhaps surprising.

Paul Goggins: I shall examine the penalties in the other clauses and we will no doubt have the opportunity to discuss them as our proceedings continue. I wanted to reassure hon. Members that such a serious penalty will be available to the courts, but it will be for the courts to decide the appropriate penalty depending on the offence that has been committed.

Rob Marris: I did not want to broaden the debate into a consideration of what constitutes terrorism at this stage of the Committee's proceedings. However, I wanted to point out to the Minister that clause 5 is an example, if one were needed, of how careful we must be elsewhere in the Bill when defining terrorism. If we get the definition wrong elsewhere in the Bill, I could be caught under clause 5 if I made a donation of 25p, or even, if we wish to be pedantic, if I went to the bank to draw out that money, because that would be conduct in preparation for my assistance—the donation itself. Surely that is not Parliament's intention. We must get the definition of terrorism right elsewhere in the Bill, because otherwise clauses such as clause 5 will become nonsensical.

Question put and agreed to

Clause 5 ordered to stand part of the Bill.

Clause 6

TRAINING FOR TERRORISM

Mr. Grieve: I beg to move amendment No. 57, in page 7, line 32, leave out 'or suspects'.

The Second Deputy Chairman: With this it will be convenient to discuss the following amendments: No. 89, in page 7, line 32, after 'or', insert 'reasonably'.

No. 58, in page 8, line 26, at end add—

'(4A) It shall be a defence to an offence under section 6 (1), for the defendant to show that he reported any suspicion to the police or in the case of an employee to his employer or other person in authority over him.'.

No. 42, in clause 8, page 10, line 13, at end add—

'(7) It shall be a defence to a charge brought under this section for an accused person to show—

(a) that he had no reasonable grounds for believing that the place was a place used for terrorist training; or

(b) that the accused was in the place used for terrorist training for legitimate research purposes.'.

No. 59, in clause 8, page 10, line 14, at end add—

(7) It shall be a defence to an offence under this section for a defendant to show on the balance of probabilities that his attendance at any place used for terrorist training was—

(a) for the purpose of preventing the instruction or training taking place; or

(b) for the purpose of gathering information about the instruction or training; or

(c) involuntary.

Mr. Grieve: The amendments relate to clause 8 as well as clause 6. Clause 6 is entitled "Training for terrorism" and clause 8 is entitled "Attendance at a place used for terrorist training". I have no difficulty with the principle of introducing such criminal offences. However, as we have seen in our previous debates, the detail of the measures presents considerable difficulties.

May I start with training for terrorism? Clause 6 says:

"A person commits an offence if . . . he provides instruction or training in any of the skills mentioned in subsection (3); and . . . at the time he provides the instruction or training, he knows or suspects that a person receiving it intends to use the skills in which he is being instructed or trained . . . for or in connection with the commission or preparation of acts of terrorism or Convention offences; or . . . for assisting the commission or preparation by others of such acts or offences."

The Minister will acknowledge that those skills are very wide. They include:

"the making, handling or use of a noxious substance, or of substances of a description of such substances . . . the use of any method or technique for doing anything else that is capable of being done for the purposes of terrorism . . . and . . . the design or adaptation for the purposes of terrorism, or in connection with the commission or preparation of an act of terrorism or Convention offence, of any method or technique for doing anything."

The Minister will be aware of examples of the people about whom we are talking that spring to mind from experience, such as somebody who trains someone else in chemistry, which enables that person to make explosives. Another example is someone who might train someone else to fly a small aircraft, to which could be attached crop-spraying equipment through which noxious biological or chemical substances could be distributed. A further example is someone who teaches someone else to fly, and then the plane might be used as a missile, as happened in the events of 2001 in the United States. The range is vast.

I do not suppose that the House of Commons would have any trouble criminalising someone who, in the knowledge that an individual was asking for instruction in any of the areas to which I have referred, knew also that that knowledge would be used for the purposes of terrorism. There would be no difficulty in saying that such a person should be treated as a criminal if they had that knowledge. However, the way in which the Government have worded the clause means that it applies not only to someone who knows, but to someone who suspects. The use of the word "suspicion" in this instance can be very wide. Many things can give rise to suspicion, but suspicion in itself need not necessarily be grounded in fact. Someone may suspect someone else, but it may turn out that they are wrong. Suspicion is when we start feeling a little uneasy.

There are some obvious examples. There is that of a teacher of chemistry at university giving a lecture to students. The teacher is dealing with substances that could be used for explosive purposes. A student in the room asks him a question, which although it might have an innocent explanation also suggests that he might have an interest in explosive properties. Experience of chemistry students at university suggests that many of them have a great deal of interest in the explosive properties of some of the substances that they use, but for frivolous purposes rather than terrorism.

As I read the way in which the clause is drafted, unless the university lecturer immediately says to the class, "I am sorry, but this class cannot continue with the presence of the individual who asked that question", he would have committed a criminal offence. I do not think that that can be the way that the Government intend the provision to work in practice. No doubt we shall be told again about the discretion of the Director of Public Prosecutions in bringing a prosecution, but in reality we must put something into the clause that provides a safeguard for the individual.

One approach is that of amendment No. 57, which would provide that an offence cannot be committed merely on suspicion—there has to be actual knowledge. However, although that amendment is the lead amendment in the group that is before us, it is not my favoured route. The Minister will be aware that other legislation we have considered, especially money laundering provisions, also had "knows" or "suspects" as the grounds for the commission of many criminal offences—but it did at least have the saving clause that if someone believed that it was not his job to stop something, he should instead report his suspicion to a relevant authority.

That, too, is far from ideal. The point has been well made by the academic lobbies that have written, I suspect, to many right hon. and hon. Members, that to an extent university lecturers and teachers, or anyone else, will be turned into potential spies. That would be an uncomfortable situation for them.

The anxiety that has been expressed from many academic quarters—I could quote the publication if the Minister so wished—about the implications of the clause is real. Amendment No. 58 tries to deal with that by providing:

"It shall be a defence to an offence under section 6(1), for the defendant to show that he reported any suspicion to the police or in the case of an employee to his employer or other person in authority over him."

That still leaves open the criticism that the Bill will turn university lecturers into spies. It is a valid point when they say:

"We believe the fundamental bond of trust between a lecturer and their students, along with the freedom of academic inquiry, would be potentially restricted if all lecturers in certain academic fields of study were, in effect, caused to spy upon their students. They would have to make a subjective judgment about whether they had any suspicion that any of their students may use their knowledge at some point in the future to commit a terrorist act. We believe this to be too broadly written."

I look forward to hearing the Minister's response to that concern, which I think is a real one, not a frivolous one.

1.45 pm

Chris Bryant: Clearly, the university lecturers are not making a frivolous point. However, at the other end of the spectrum is the chemistry lecturer or teacher who becomes convinced over time that one of the reasons for someone having joined their course is deliberately to gain information that they might then use to perpetrate terrorist offences. Would the hon. Gentleman like to rebalance a little along that spectrum?

Mr. Grieve: That is right. We know from the past that many of the experts in weapons of mass destruction in Iraq—technical engineers—were trained at Imperial college. The foundations of the Iraqi nuclear research programme were based on the knowledge of the students who had been on the relevant courses, to such an extent that I understand that now there is an informal system of regulation to try to provide a degree of vetting of those who undertake courses that may be particularly sensitive in terms of technology being imparted to such people.

[Mr. Grieve]

These are real issues, which I acknowledge, but we must live in the real world. A university lecturer who is delivering a course is placed in a difficult position if he begins to worry about a perfectly ordinary undergraduate. It is the same for someone who is training someone else to fly a small aircraft. The worry for him is that if something subsequently emerges about the individual, the chain will be followed up in exactly the same way as it was after the events of September 2001. He will then be questioned and might even be prosecuted and liable to 10 years' imprisonment. The Government must provide a let-out clause to ensure that people are not placed in an impossible position.

The reality of most contractual relationships is that if a student pays money to acquire a skill, the classes cannot be discontinued half way through because it is thought that he is an unsavoury character. Either there has to be a fail-safe mechanism so that the student can be reported and the teacher told whether he should continue with the classes, or there must be some protection under the law. That is what amendment No. 58 is designed to achieve.

I take amendment No. 58 seriously and regard it as more than a probing amendment. Unless the Minister can provide me with some assurance that the Government will reconsider this issue between now and next Wednesday, or can give me a positive response in this debate, I intend to put the amendment to the vote. There must be a safeguard that enables people to report to their employer or to someone in authority, saying, "I am troubled by this student but I cannot really say anything more about it." That person would know that he was protected and would not subsequently be open to prosecution.

The same thing, but in rather a different context, will apply to attendance at a terrorist training camp. I am sure that we all agree that that should be made a criminal offence. There is ample evidence that individuals have attended places that provide terrorist training—they went there because they wanted to be trained as terrorists. The difficulty arises over what happens if individuals find themselves at a place of terrorist training for good, valid or innocent reasons. There is no mechanism in clause 8 for any exoneration of such a person. The only fall-back position will be the discretion of, presumably, the Attorney-General—I hope that the terrorist training place is abroad, but I suppose that it could be in the UK—or the DPP not to prosecute. There is a way through that difficulty that improves the clause, and that is what amendment No. 59 is designed to achieved. It states:

"It shall be a defence to an offence under this section for a defendant to show on the balance of probabilities"—

so the onus will be on the defendant, which is not something I usually like, but to make the Bill bite I accept that we should reverse the burden on the balance of probabilities—

"that his attendance at any place used for terrorist training was—

(a) for the purpose of preventing the instruction or training taking place; or

(b) for the purpose of gathering information about the instruction or training; or

(c) involuntary."

Chris Bryant: I have some sympathy with the amendment, which is seeking to tease out the purpose of the clause. However, I am cautious about paragraph (b) because it is very broad. Anyone who merely sought instruction could use the defence that they were gathering information about instruction or training. By contrast, a journalist would be seeking to write an exposé of a training camp in another part of the world. Would the hon. Gentleman accept a different wording for his amendment?

Mr. Grieve: A different wording is, of course, possible, and I am happy to listen to any variants that the Minister may suggest. There is nothing sacred in being a journalist, just as there is nothing sacred in being a Member of Parliament or anything else. Categorising journalists as a separate group is not necessarily helpful. Someone may wish to be present to gather information about instruction or training, and an undercover journalist is an obvious example. However, I do not see why the provision should be restricted. I fully acknowledge that it may provide a get-out clause because people could claim that they attended the camp only to gather information. A jury, however, would ask, "For what purpose?" A coherent reason would have to be provided. A BBC journalist, for example, could say that they had heard about a camp. The police were not interested, so they sent an undercover journalist to find out what was happening. If someone simply says that they went along because they were intrigued they are unlikely to be believed. Alternatively, someone could say that they heard what was going on and were worried about it, so they decided to find out what was happening before tipping off the authorities. That person needs to be covered as well as the journalist.

Jeremy Corbyn (Islington, North) (Lab): Like my hon. Friend the Member for Rhondda (Chris Bryant), I have great deal of sympathy with the hon. Gentleman's amendment, but I am concerned about placing the onus on the defendant. A community centre—a mosque or a church, for example—could be accused of being a training centre and, indeed, nefarious activities may have taken place in part of the building. Is the hon. Gentleman suggesting that everyone who attends has to prove their innocence? It is a complicated area.

Mr. Grieve: The hon. Gentleman makes a good point. I suggested that in our legal system traditionally the burden of proof lies with the prosecution who, on the whole, must prove a case. There are examples in criminal law, however, where once the main facts are established the burden of proof can be reversed, although never beyond the test of reasonable doubt. On the balance of probabilities, the defendant must give a legitimate reason for doing something. I share the hon. Gentleman's discomfort because I am not usually in favour of such legislation, but the Government have a difficulty in dealing with a particular problem. Proving beyond reasonable doubt that someone was at a camp for the purpose of gaining instruction can be a very hard test. If the purpose behind the clause is to deter people from going to camps abroad to receive terrorist training, the Government are entitled to wield a heavy club. I am not unsympathetic to their aim, but a let-out clause is needed. My amendment is to another clause so,

subject to your consent, Sir Michael, unless the Minister satisfies me that my concerns will be taken on board and that the Government will return with another proposal, I am minded to seek the Committee's view and put it to the vote.

John Bercow: Is the word "involuntary" in paragraph (c) of my hon. Friend's amendment intended to have a broad or narrow application? Does he mean to provide an effective defence for someone who attends a terrorist training centre after being transported there against their will, or should that defence be available to people who are employed in another part of the establishment, perhaps in an ancillary and unrelated activity?

Mr. Grieve: I was thinking of the first group of people—I had not thought of the second. The defence of duress already exists, so the Minister may say that the term "involuntary" is unnecessary. We need to tease that out in debate, which is why I do not intend to be too prescriptive. However, reasons for attendance need to be highlighted in the Bill.

Someone might say that they did not attend a training centre voluntarily because they had been enticed there under false pretences. It was not a voluntary attendance for the purposes of the establishment. It is a difficult area, so I shall be interested to hear the views of the Minister and other Committee members. To clarify the position, the issue can be addressed without damaging the intention of the relevant clauses. In my view it must be addressed, because if it is not we will create two powers in clauses 6 and 8 with an incredibly sweeping scope that could criminalise the innocent.

Mr. Carmichael: I share the concerns of the hon. Member for Beaconsfield (Mr. Grieve) about clauses 6 and 8; my amendments Nos. 89 and 42 arise from the same concerns. They seek to achieve the same end by a different means, but they head in the same direction.

As for the amendment to clause 8 tabled by the hon. Member for Buckingham—

Mr. Grieve: May I remind the hon. Gentleman that my constituency is Beaconsfield?

Mr. Carmichael: My apologies to both hon. Gentlemen.

Mr. Grieve: Our constituencies are not far apart.

Mr. Carmichael: It is all England as far as I am concerned.

Chris Bryant: The hon. Gentlemen think that all England covers Scotland as well.

Mr. Carmichael: I disagree. My constituency is a place to the north of Scotland, which is a place just south of my constituency.

The hon. Member for Beaconsfield strikes exactly the right balance in his amendments to clause 8. The accused must show that, on the balance of probabilities, he was in a training centre for one of the three legitimate reasons given in amendment No. 59. I am concerned about the potential to fall foul of clause 6 as a result of people's suspicions. Amendment No. 42 offers a small measure of protection, because any such suspicion must be reasonable—it does not cover suspicions borne of prejudice or mere fancy. The common theme of clauses 6 and 8—we dealt with it at length yesterday—is that it is all too easy to blunder unknowingly into a situation and fall foul of the legislation. I cannot see that that is what the Government intend, but it is unfortunately the consequence of the clauses' drafting. As hon. Members said yesterday in the context of clause 1, people must be able to regulate their conduct according to this legislation, which, frankly, is not possible at the moment.

2 pm

The concern that I seek to highlight in relation to clause 8 relates to "legitimate research purposes" and investigative journalism, which often performs an important function in these situations. The Government might believe that suspicions should be investigated not by journalists but by the appropriate authorities. We all know that in the real world matters can often be rather more complicated. The British Government of the day might choose, perhaps because of some wider concern, to ignore something that is going on in another country that constitutes a training place for terrorism. Yesterday, we spoke about Uzbekistan. The Government of Uzbekistan have had the benefit of a great deal of very benign doubt from the British Government, if I may put it like that. Who is to say that, if a training camp were to be established in Uzbekistan, we might not go looking too hard for it? An investigative journalist, however, might want to undertake some sort of exposé, but, under the clause, he or she could feel constrained from legitimately exercising professional freedom.

Chris Bryant: I was waiting to intervene because I thought that the hon. Gentleman was coming to the end of a paragraph. He refers to the term "legitimate research purposes", which is in his amendment No. 42. Are there any legitimate research purposes other than those to which he has already referred?

Mr. Carmichael: I never know until I read *Hansard* whether I have come to the end of a paragraph. I would love to pretend that my speeches have such structure. I can anticipate some situations that would go beyond investigative journalism—some sort of academic research might need to be covered. It has to be a legitimate research purpose, and that comes back to the point made by the hon. Member for Beaconsfield—

Mr. Heath: A non-governmental organisation.

Mr. Carmichael: Or indeed, as my hon. Friend says, an NGO might be performing some legitimate research purpose.

Chris Bryant: The problem is the word "legitimate". The hon. Gentleman—no, it was the hon. Member for Somerton and Frome (Mr. Heath) who accused the Government earlier of using inchoate language.—*[Interruption.]* It was the hon. Member for Orkney and

[Chris Bryant]

Shetland (Mr. Carmichael). They merge into one. The problem is that the word "legitimate" is, of itself, inchoate. It is merely a circular argument.

Mr. Carmichael: Legitimacy will be established according to the full facts and circumstances of any individual case. I am sorry if that sounds a little pat, but I have said that once or twice in the past.

I did not accuse the Government of using inchoate language; I commended them for using it. I thought that it was necessary. It was not the language that was inchoate, but the acts.

If there are to be various defences—it is the clause's total absence of defences that I find quite difficult—they have to be constructed in such a way that they can cover a multitude of circumstances that we might not necessarily anticipate now, and for that reason the language has to be drawn quite widely. It may not be the most elegant language, but at the end of the day I will not be pressing my amendments to a vote, although the hon. Member for Beaconsfield may well be pressing his, and if he does so, I would be minded to support him.

Ms Sally Keeble (Northampton, North) (Lab): The hon. Gentleman referred to the different types of organisation that might be in such a place for legitimate research purposes, and he mentioned NGOs. Will he expand on his thinking on that important point?

Mr. Carmichael: I do not know whether the hon. Lady was present when the hon. Member for Beaconsfield referred to people who find themselves in such a place involuntarily. Young people and children in particular may be there involuntarily. An NGO may well be there to secure their release, which I would say was an entirely legitimate purpose for an NGO. An NGO acting in that way should not fall foul of the law.

As I have already said, should the hon. Member for Beaconsfield press his amendments to a Division, for the reasons that he outlined, with which I would probably agree, the Liberal Democrats will support him.

Rob Marris: I seek some reassurance from the Minister on amendment No. 58. For example, a university lecturer, lecturing in chemistry at the excellent university of Wolverhampton, could inadvertently fall foul of the clause by having suspicions but, not wishing to act on them, by ceasing to teach the pupil concerned for fear of offending the pupil. I suspect that often in such circumstances a lecturer would initially downplay his or her suspicions because they did not want to cause offence in a social sense, but they would then be committing an offence in the legal sense, and there should be a middle ground, such as is set out in amendment No. 58, although I am not sure that its wording is quite right. Such suspicions could be reported to someone in authority, with the lecturer saying, "I haven't yet confronted the student, but I want to alert you to the fact that I think that they are taking a rather unprincipled interest in the chemistry I am teaching them."

Hywel Williams (Caernarfon) (PC): The hon. Member for Beaconsfield (Mr. Grieve) said that the range of activities is vast, and I am concerned with particular activities in Wales and north Wales, outdoor pursuit training and, pertinently in this case, white water rafting on the Tryweryn river, in which some of the people involved in the events of 7 July were engaged. The range is vast, so how will the providers of such training decide whether they should suspect someone? There is a question about the degree to which they should suspect that people engaging in otherwise entirely legitimate and innocent activities are engaged in preparation for terrorism. I understand that terrorists often engage in such innocent activities for the purposes of team building and to increase a feeling of camaraderie. They might engage in such activities as part of a larger group. There is a lack of clarity for training providers.

A further question that I worry about is not directly related to the clause, but if a group of young Asian men, possibly Muslims, turn up in white, Welsh-speaking north Wales to go white-water rafting, is the provider of the activity to suspect them merely because they are a group of young Asian males? All kinds of possibilities are opened up that are entirely undesirable.

Jeremy Corbyn: I support the amendments moved by the hon. Member for Beaconsfield, because I have some serious concerns about clause 6.

The Bill gives itself a universal jurisdiction and seeks to cast the net very widely over potential suspects. Many of us who represent inner-city constituencies are familiar with accusations that places such as community centres and mosques are being used for terrorist training—it is easy to make such an accusation, in the same way as it is easy for people to accuse their neighbours of being drug dealers. We must therefore be extremely careful in drawing the net so widely that people are automatically guilty by association. I appreciate that any prosecution must occur within the terms of the Attorney-General's decision, but the matter poses some serious dangers.

The Bill says that anyone who has visited a terrorist training camp anywhere in world is guilty by association, and I think that amendment No. 59 probably helps with that problem. I have visited a number of refugee camps in central America that were characterised by their opponents and neighbouring Governments as terrorist training camps. During the war in El Salvador, El Salvadorian refugee camps in Honduras were routinely accused of being terrorist training camps. I do not believe that they were terrorist training camps, but the accusation was and is made frequently. The Bill could lead to doubtful hearsay evidence of attendance at such places being used to accuse and prosecute somebody. The Minister must think carefully about amendment No. 59, which would improve clause 8.

My final point applies to the whole Bill. The tenor of the Bill is to try to charge people as widely as possible with advocacy of, preparation for or association with terrorism, which will alienate large numbers of people who already feel quite alienated from normal British society. Many young Muslims who live in inner-urban areas already feel alienated. Are they in danger of being prosecuted for attending classes in which someone speaks or going to a community centre where it is alleged that training activities have taken place? We could end up not only criminalising the innocent by detaining

them for 90 days without charge, but reducing the likelihood of co-operation with the authorities on genuine cases in which someone is seriously planning to commit criminal acts either in this country or anywhere else. We should learn from the experience in Northern Ireland between 1968 and 1971, when alienation grew so rapidly that it led to 20 years of troubles. I fear that we will alienate people who do not want to be alienated and who want to live in a decent, free-speaking, democratic society, because we are in danger of driving them in the other direction.

Paul Goggins: I congratulate you, Mr. Cook, on what I believe is a significant anniversary today. I will not reveal further details of the particular anniversary. [HON. MEMBERS: "Go on!"] Happy birthday, Mr. Cook.

I am grateful to the hon. Members who have tabled the amendments, which highlight important aspects of the legislation. I hope that I can persuade the hon. Members for Beaconsfield (Mr. Grieve) and for Orkney and Shetland (Mr. Carmichael) to alter their judgment. There are one or two issues that we can perhaps examine in greater detail, but there are other issues that we cannot.

2.15 pm

The Committee knows that it is a requirement of the Council of Europe convention on the prevention of terrorism, to which the UK is a signatory, to criminalise terrorist training. A number of those offences are already contained within British law in section 54 of the Terrorism Act 2000, which relates to weapons training, among other things. Clause 6 adds to section 54 of the 2000 Act to close the gap on other forms of training for terrorist purposes. That includes training to use noxious or hazardous substances, providing training in certain skills, methods and techniques where one knows or suspects that the person receiving the training is doing so for the purposes of terrorism and receiving any of that training with the intention of using it for terrorist purposes. There is currently no specific offence relating to attendance at a terrorist training camp, and clause 8 is intended to close that gap by criminalising attendance at such a camp. For the sake of completeness I should stress that that does not derive from an obligation under the Council of Europe convention on the prevention of terrorism.

Jeremy Corbyn: What does the Minister mean when he says, "attendance at a camp"? The danger is that the provision is so broad that it will include anyone who goes anywhere near such a camp.

Paul Goggins: I draw my hon. Friend's attention to clause 8(1):

> "A person commits an offence if he attends at any place, whether in the United Kingdom or elsewhere, while he is at that place, instruction or training of the type mentioned in section 6(1) of this Act or section 54(1) of the Terrorism Act 2000 . . . is provided there; that instruction or training is provided there wholly or partly for purposes connected with the commission or preparation of acts of terrorism or Convention offences".

I hope that that helps my hon. Friend.

Jeremy Corbyn *indicated dissent.*

Paul Goggins: We have in mind places that train and prepare people to commit acts of terror.

Jeremy Corbyn: The key words are "wholly or partly". If someone attends a place where terrorist training is going on, but they know nothing about it and are training in, for example, white water rafting, they could be pulled into an incomprehensible net in which they are accused of terrorism.

Paul Goggins: We will discuss the concept of "attending", which implies that the person who is doing the "attending" knows what they are doing. I hope that my hon. Friend is reassured that an individual must have a purpose in attending a particular place.

Amendment No. 57 removes any concept of suspicion, which, as the hon. Member for Beaconsfield has acknowledged, would significantly narrow the scope of the offence. If someone does not know that terrorist training is taking place, they will not be caught by the offence. If we remove the word, "suspects", however, the offence would not cover someone who provides training and who has every reason to suspect, but does not know as an absolute fact, that their students are planning to use their skills for terrorist purposes. What is more, that person could continue to provide such training with impunity for as long as their suspicions do not turn into certain knowledge, which is not a satisfactory situation.

The hon. Member for Beaconsfield and my hon. Friend the Member for Wolverhampton, South-West (Rob Marris) have made the same point about chemistry lecturers and teachers, and I am prepared to think about that specific point a little more. But the hon. Gentleman's description of the person of unsavoury character is not specific enough. The suspicion would have to be based on specific grounds. I shall respond to him further on that point.

Amendment No. 89 takes a rather different approach. It retains, rightly, the concept of suspicion, but would qualify it with the word "reasonably". That is not necessary. Whether or not somebody suspects is simply a fact that the prosecution would have to prove in a given case.

Amendment No. 58 would provide a defence of informing the police—or, in the case of an employee, the employer—of that suspicion. I understand the intention behind it, which is to provide a defence to those who take steps to make others aware, but it is unnecessary. In reality, it is highly unlikely that someone who had been to the police and reported his suspicions would ever be prosecuted. I doubt that the consent of the Director of Public Prosecutions would be forthcoming in such circumstances. However, we would certainly not want a person who had reported their suspicions to the police to have carte blanche. Their suspicions could be reported in such a way as to play those suspicions down, or they could be so ambiguous that the police would find it difficult to follow them up, and the trainer could then carry on providing the terrorist training with impunity. Even if he was given ever-stronger reasons for knowing that the training would be used for terrorist purposes, he would fall outside the scope of the clause if the amendment were to be made.

I turn to the amendments to clause 8. On amendment No. 42, it is certainly not the Government's intention to catch people who could not reasonably be expected to know that they were at a training camp. Subsection (2)

[Paul Goggins]

provides that in order for an offence under the clause to be committed, the prosecution has to prove that the person knew or believed that training for terrorist purposes was taking place, or could not reasonably have failed to be aware of that. If the person had no reasonable grounds for believing that he was at a place where terrorist training was taking place, clearly he would not have committed any offence. The first part of the amendment is therefore unnecessary.

The second part of the amendment would provide a defence of attending a terrorist camp "for legitimate research purposes." That would create a major loophole, to say nothing of a significant definitional headache for the courts in having to interpret it. The Government do not believe that attendance at a terrorist training camp can ever be considered legitimate. It has been suggested, not least during this debate, that attendance at such a camp, perhaps by journalists or by a non-governmental organisation, may be considered valid. However, we consider that attendance at terrorist training camps by such individuals lends legitimacy to such groups and creates an environment in which terrorism may flourish. That is wholly wrong. The Government do not consider that there can be justifiable reasons for knowingly attending a terrorist training camp at which individuals are trained in acts of terror that would lead to innocent people losing their lives. Terrorism is not a valid form of political expression, in this country or abroad.

Sir Robert Smith: Will the Minister give way?

Paul Goggins: No, because I have already heard murmurs around the Chamber of Members once again returning to the issue of the definition of terrorism. We have discussed that here today and elsewhere, and will no doubt return to it.

Until now, those who have attended terrorist training camps have been able to claim, perhaps falsely, that they were simply there in a humanitarian capacity—perhaps brewing the tea. We intend to close off such defences, which can allow people to evade punishment although they are clearly complicit in the provision of training for terrorists.

Exactly the same logic applies to much of amendment No. 59. We do not believe that those who attend terrorist training camps on the grounds that they were there just to gather information should escape the consequences of their actions.

Jeremy Corbyn: As regards people being accused of attending a terrorist training camp in another country, if a journalist visits that place to collect evidence and is prepared to produce it in a British court, are we then to prosecute the journalist as well as the people who have taken part in the training? That is the logic of the Minister's argument.

Paul Goggins: I draw my hon. Friend's attention to subsection (2)(b), which says:

"a person attending at that place throughout the period of that person's attendance could not reasonably have failed to understand that instruction or training was being provided there wholly or partly for such purposes."

Nobody can unknowingly remain in that training camp—

Sir Robert Smith: Will the Minister give way?

Paul Goggins: No—I am trying to deal with the intervention by my hon. Friend the Member for Islington, North (Jeremy Corbyn). I will happily give way to the hon. Gentleman in a moment.

The Government's argument to my hon. Friend is that there can be no grounds for people to attend a training camp when they know that it is a training camp and there is no legitimate purpose for them to be there. My hon. Friend may agree or disagree with that, but it is the view that the Government hold.

Sir Robert Smith: The Minister seems unwilling to address the point that someone might be attending the terrorist camp with the express purpose of exposing it and trying to get it closed down to prevent the threat of terrorism. Under the current wording, without an amendment to provide some kind of defence, they could be found guilty of a crime when doing a public good.

Paul Goggins: If somebody has reason to believe that they know where a training camp is, they should report it to the authorities so that they can deal with it. It is not for an individual journalist to go on a maverick expedition to ascertain the truth. If that journalist has grounds for believing that there is a training camp in place and that they are the only person to know that, they should report it to the authorities—it is not for them to undertake their own investigation.

John Bercow: With the greatest respect to the Minister, it seems to me, and probably to many people, that much of the best of British journalism is indeed based on maverick expeditions. It is unwise for him to rule that out of order as a possible line of defence.

Will the Minister focus on another element of the amendment tabled by my hon. Friend the Member for Beaconsfield (Mr. Grieve)—involuntary attendance? There is nothing spurious or flippant about that—it is a very important point.

Paul Goggins: I will deal with that point specifically when I conclude my remarks.

The Opposition also suggest that there should be a defence for those who try to prevent the training. Again, we are worried that that would create a sizeable loophole. If someone knows that terrorist training is happening, the appropriate course of action is to leave that place and alert the relevant authorities.

Amendment No. 59 deals also with those who may, against their will, be at a place where terrorist training occurs. Again, I am not sure that that is necessary because clause 8 provides that a person commits an offence if he "attends" a place where training occurs. Attendance implies voluntary participation rather than being kidnapped or held against one's will. Attendance implies that the person has some intention of being there. The context is important but the change would create a loophole, which terrorists would not be slow to exploit.

John Bercow: It is important to be pedantic about the matter and to explore all possible scenarios. I do not agree with the Under-Secretary about intention. There could be circumstances whereby a person is employed as part of an operation on or adjacent to the site where terrorist training takes place. The said individual could be aware of his attendance on the site but engaged in a wholly unrelated activity.

Paul Goggins: I repeat that attendance implies a voluntary presence. That is clear. Anybody who is held against their will would not be caught by the clause. However, those who are there voluntarily, in whatever role, will be caught.

2.30 pm

Ms Keeble: I want to consider the point about the journalists and the mad trips. If journalists had heard a rumour that something might be going on but there was no substantial suspicion, gained entry to the relevant place, found that training was happening and then left, they would not be caught by the clause because they had left and reported the matter. It would therefore be possible for journalists to act, provided that they did not knowingly enter something that was obviously a terrorist training camp. Is that how the clause would work?

Paul Goggins: My hon. Friend is right. Journalists who found themselves in a terrorist training camp, realised what was happening, left and reported its existence to the authorities, would clearly not be caught by the offence. However, if they remained there, they could be caught. As I have made abundantly clear, if people know that terrorist training is taking place but continue to participate and be present there freely, not against their will, they could and should be caught by the clause.

I stress to the hon. Member for Beaconsfield that my right hon. Friend the Home Secretary and I are prepared further to consider the point about the chemistry teacher or lecturer that my hon. Friend the Member for Wolverhampton, South-West raised to ensure that the Bill contains the assurance that we all want. As to the rest, the hon. Gentleman must make his own decision.

Mr. Grieve: I have listened carefully to the Under-Secretary. He knows that I did not intend to press amendment No. 57 to the vote because I accept that "suspects" is necessary. We should therefore concentrate on the safeguards that may provide a let-out for those who would otherwise be criminalised.

I am slightly reassured by the Under-Secretary's comments on the point about the university lecturer. However, that slight reassurance is heavily tempered by his suggestion that our proposal would create ambiguity in that someone could report a suspicion to the police but continue to help in training in the knowledge that it was intended for terrorist purposes. That is rather far fetched and I am unable to accept it. Let us consider the basis for the money-laundering provisions. For all I know, solicitors or accountants may report suspicion in the belief that they could be exonerated from subsequent participation. The Under-Secretary's argument would be equally valid in that case, yet the Government were happy to provide a framework similar to our proposal.

John Bercow: I wonder whether I understood my hon. Friend correctly because the scenario that he outlined is even more bizarre than I imagined. Does he suggest that the Under-Secretary depicted a scenario in which an individual is so foolish or reckless as to notify the state of the existence of a training centre of which it is not aware only to continue his nefarious activities there? He would be something of a chancer.

Mr. Grieve: The Under-Secretary certainly appeared to imply that. He argued that my suggestion that people who had a suspicion could escape prosecution by showing that they had told their employer, the head of the department where they were working in the case of the university lecturer, or the police, was somehow not appropriate because it would facilitate such training. For that reason, I intend to press amendment No. 58 to the vote because I want to encourage the Under-Secretary in the review that he will conduct between now and next Wednesday. Similarly, I shall seek to press amendment No. 59 to a vote thereafter, with your leave, Mr. Cook, because there is a real issue involved here in respect of attendance at a place where terrorist training takes place. So, with the leave of the Committee, I seek to withdraw amendment No. 57, and I hope that I shall be able, initially, to put amendment No. 58 to the vote.

Amendment, by leave, withdrawn.

Amendment proposed: No. 58, in clause 6, page 8, line 26, at end add—

'(4A) It shall be a defence to an offence under section 6(1), for the defendant to show that he reported any suspicion to the police or in the case of an employee to his employer or other person in authority over him.'.—*[Mr. Grieve.]*

Question put, That the amendment be made:—

The Committee divided: Ayes 219, Noes 315.

Division No. 76] **[2.36 pm**

AYES

Afriyie, Adam
Ainsworth, Mr. Peter
Alexander, Danny
Amess, Mr. David
Arbuthnot, rh Mr. James
Bacon, Mr. Richard
Baker, Norman
Baldry, Tony
Barker, Gregory
Baron, Mr. John
Barrett, John
Beith, rh Mr. Alan
Bellingham, Mr. Henry
Benyon, Mr. Richard
Bercow, John
Beresford, Sir Paul
Blunt, Mr. Crispin
Boswell, Mr. Tim
Bottomley, Peter
Brady, Mr. Graham
Brake, Tom
Brazier, Mr. Julian
Breed, Mr. Colin
Brokenshire, James
Brooke, Annette
Browne, Mr. Jeremy
Browning, Angela
Burrowes, Mr. David
Burstow, Mr. Paul
Burt, Alistair
Burt, Lorely
Butterfill, Sir John
Cable, Dr. Vincent
Cameron, Mr. David
Campbell, rh Sir Menzies
Carmichael, Mr. Alistair
Carswell, Mr. Douglas
Cash, Mr. William
Chope, Mr. Christopher
Clappison, Mr. James
Clark, Greg
Clarke, rh Mr. Kenneth
Clegg, Mr. Nick
Clifton-Brown, Mr. Geoffrey
Conway, Derek
Corbyn, Jeremy
Cormack, Sir Patrick
Cox, Mr. Geoffrey
Crabb, Mr. Stephen
Davey, Mr. Edward

Davies, David T.C. *(Monmouth)*
Davies, Philip
Davies, Mr. Quentin
Davis, rh David *(Haltemprice and Howden)*
Djanogly, Mr. Jonathan
Dorries, Mrs. Nadine
Duddridge, James
Duncan, Mr. Alan
Duncan Smith, rh Mr. Iain
Dunne, Mr. Philip
Evennett, Mr. David
Fabricant, Michael
Fallon, Mr. Michael
Farron, Tim
Featherstone, Lynne
Field, Mr. Mark
Foster, Mr. Don
Fox, Dr. Liam
Francois, Mr. Mark
Gale, Mr. Roger
Garnier, Mr. Edward
Gauke, Mr. David
George, Andrew
Gillan, Mrs. Cheryl
Goldsworthy, Julia
Goodman, Mr. Paul
Goodwill, Mr. Robert
Gove, Michael
Gray, Mr. James
Grayling, Chris
Green, Damian
Greening, Justine
Grieve, Mr. Dominic
Hammond, Mr. Philip
Hammond, Stephen
Hancock, Mr. Mike
Hands, Mr. Greg
Harper, Mr. Mark
Harris, Dr. Evan
Harvey, Nick
Hayes, Mr. John
Heald, Mr. Oliver
Heath, Mr. David
Hemming, John
Hendry, Charles
Herbert, Nick
Hoban, Mr. Mark
Hogg, rh Mr. Douglas
Hollobone, Mr. Philip
Holloway, Mr. Adam
Holmes, Paul
Horam, Mr. John
Hosie, Stewart
Howard, rh Mr. Michael
Howarth, David
Howarth, Mr. Gerald
Hughes, Simon
Huhne, Chris
Hunt, Mr. Jeremy
Hurd, Mr. Nick
Jack, rh Mr. Michael
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Johnson, Mr. Boris
Jones, Mr. David
Jones, Lynne
Kawczynski, Daniel
Keetch, Mr. Paul
Kennedy, rh Mr. Charles
Kirkbride, Miss Julie
Knight, rh Mr. Greg
Kramer, Susan
Lait, Mrs. Jacqui
Lamb, Norman
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Laws, Mr. David
Leech, Mr. John
Letwin, rh Mr. Oliver
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Lilley, rh Mr. Peter
Loughton, Tim
Luff, Peter
MacNeil, Mr. Angus
Main, Anne
Maples, Mr. John
Maude, rh Mr. Francis
May, rh Mrs. Theresa
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Mercer, Patrick
Miller, Mrs. Maria
Milton, Anne
Moore, Mr. Michael
Moss, Mr. Malcolm
Mundell, David
Murrison, Dr. Andrew
Newmark, Mr. Brooks
O'Brien, Mr. Stephen
Oaten, Mr. Mark
Opik, Lembit
Osborne, Mr. George
Ottaway, Richard
Paice, Mr. James
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Prisk, Mr. Mark
Pritchard, Mark
Pugh, Dr. John
Randall, Mr. John
Reid, Mr. Alan
Robathan, Mr. Andrew
Robertson, Hugh
Robertson, Mr. Laurence
Rogerson, Mr. Dan
Rowen, Paul
Russell, Bob
Sanders, Mr. Adrian
Scott, Mr. Lee
Shapps, Grant
Shepherd, Mr. Richard
Simmonds, Mark
Smith, Sir Robert
Spelman, Mrs. Caroline
Spicer, Sir Michael
Spink, Bob
Spring, Mr. Richard
Stanley, rh Sir John
Stuart, Mr. Graham
Stunell, Andrew
Swayne, Mr. Desmond
Swinson, Jo
Swire, Mr. Hugo
Syms, Mr. Robert
Taylor, Mr. Ian
Taylor, Matthew
Taylor, Dr. Richard
Teather, Sarah
Turner, Mr. Andrew
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Vara, Mr. Shailesh
Viggers, Peter
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Waterson, Mr. Nigel
Webb, Steve
Weir, Mr. Mike
Whittingdale, Mr. John
Wiggin, Bill
Willetts, Mr. David
Williams, Hywel
Williams, Mark
Williams, Mr. Roger
Williams, Stephen
Willis, Mr. Phil
Willott, Jenny
Wilson, Mr. Rob
Winterton, Ann
Winterton, Sir Nicholas
Wishart, Pete
Wright, Jeremy
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Ayes:
Andrew Selous and
Mr. Peter Atkinson

NOES

Ainger, Nick
Ainsworth, rh Mr. Bob
Alexander, rh Mr. Douglas
Allen, Mr. Graham
Anderson, Mr. David
Anderson, Janet
Armstrong, rh Hilary
Atkins, Charlotte
Austin, Mr. Ian
Austin, John
Bailey, Mr. Adrian
Baird, Vera
Balls, Ed
Banks, Gordon
Barlow, Ms Celia
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Beckett, rh Margaret
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blizzard, Mr. Bob
Blunkett, rh Mr. David
Borrow, Mr. David S.
Bradshaw, Mr. Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Mr. Des
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Caborn, rh Mr. Richard
Cairns, David
Campbell, Mr. Alan
Campbell, Mr. Ronnie
Caton, Mr. Martin
Cawsey, Mr. Ian
Challen, Colin
Chapman, Ben
Chaytor, Mr. David
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Clelland, Mr. David
Clwyd, rh Ann
Coaker, Mr. Vernon
Coffey, Ann
Connarty, Michael
Cooper, Rosie
Cooper, Yvette
Crausby, Mr. David
Creagh, Mary
Cruddas, Jon
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
Curtis-Thomas, Mrs. Claire
Darling, rh Mr. Alistair
David, Mr. Wayne
Davidson, Mr. Ian
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dismore, Mr. Andrew
Dobbin, Jim
Dobson, rh Frank
Dodds, Mr. Nigel
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Engel, Natascha
Ennis, Jeff
Farrelly, Paul
Field, rh Mr. Frank
Fisher, Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Flynn, Paul
Follett, Barbara
Foster, Mr. Michael *(Worcester)*
Foster, Michael Jabez *(Hastings and Rye)*
Gapes, Mike
Gardiner, Barry
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gibson, Dr. Ian
Gilroy, Linda
Godsiff, Mr. Roger
Goggins, Paul
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Hain, rh Mr. Peter
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. David
Hamilton, Mr. Fabian
Hanson, Mr. David
Harman, rh Ms Harriet
Harris, Mr. Tom
Havard, Mr. Dai
Healey, John
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hesford, Stephen

Hewitt, rh Ms Patricia
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hoey, Kate
Hood, Mr. Jimmy
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Howarth, rh Mr. George
Howells, Dr. Kim
Hoyle, Mr. Lindsay
Humble, Mrs. Joan
Hutton, rh Mr. John
Iddon, Dr. Brian
Ingram, rh Mr. Adam
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Mr. Martyn
Jowell, rh Tessa
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, Mr. David
Laxton, Mr. Bob
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Love, Mr. Andrew
Lucas, Ian
MacDougall, Mr. John
Mackinlay, Andrew
MacShane, rh Mr. Denis
Mactaggart, Fiona
Mahmood, Mr. Khalid
Malik, Mr. Shahid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall, Mr. David
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCafferty, Chris
McCarthy, Kerry
McCarthy-Fry, Sarah
McDonagh, Siobhain
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McNulty, Mr. Tony
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, rh Mr. David
Miliband, Edward
Miller, Andrew
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moran, Margaret
Morden, Jessica
Morgan, Julie
Morley, Mr. Elliot
Mountford, Kali
Mudie, Mr. George
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Denis
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Naysmith, Dr. Doug
Norris, Dan
O'Brien, Mr. Mike
O'Hara, Mr. Edward
Olner, Mr. Bill
Osborne, Sandra
Owen, Albert
Palmer, Dr. Nick
Pearson, Ian
Plaskitt, Mr. James
Pope, Mr. Greg
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Prescott, rh Mr. John
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Mr. Ken
Purnell, James
Rammell, Bill
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Reid, rh John
Riordan, Mrs. Linda
Robertson, John
Robinson, Mr. Geoffrey
Robinson, Mrs. Iris
Robinson, Mr. Peter
Rooney, Mr. Terry
Roy, Mr. Frank
Ruane, Chris
Ruddock, Joan
Russell, Christine
Ryan, Joan
Salter, Martin
Seabeck, Alison
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Simon, Mr. Siôn
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, Geraldine
Smith, rh Jacqui
Snelgrove, Anne
Soulsby, Sir Peter
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Straw, rh Mr. Jack
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari
Taylor, David
Thomas, Mr. Gareth
Thornberry, Emily
Timms, Mr. Stephen
Tipping, Paddy
Todd, Mr. Mark
Touhig, Mr. Don
Trickett, Jon
Truswell, Mr. Paul
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Ussher, Kitty
Vaz, Keith
Walley, Joan
Waltho, Lynda
Ward, Claire
Watson, Mr. Tom
Watts, Mr. Dave
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Williams, Mrs. Betty
Wills, Mr. Michael
Winnick, Mr. David
Winterton, Ms Rosie
Woodward, Mr. Shaun
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek

Tellers for the Noes:
Mr. Parmjit Dhanda and Gillian Merron

Question accordingly negatived.

Clauses 6 and 7 ordered to stand part of the Bill.

Clause 8

ATTENDANCE AT A PLACE USED FOR TERRORIST TRAINING

Amendment proposed: No. 59, page 10, line 14, at end add—

(7) It shall be a defence to an offence under this section for a defendant to show on the balance of probabilities that his attendance at any place used for terrorist training was—

(a) for the purpose of preventing the instruction or training taking place; or

(b) for the purpose of gathering information about the instruction or training; or

(c) involuntary.—*[Mr. Grieve.]*

Question put, That the amendment be made:—

The Committee divided: Ayes 223, Noes 316.

Division No. 77] **[2.53 pm**

AYES

Afriyie, Adam
Ainsworth, Mr. Peter
Alexander, Danny
Amess, Mr. David
Arbuthnot, rh Mr. James
Atkinson, Mr. Peter
Bacon, Mr. Richard
Baldry, Tony
Barker, Gregory
Baron, Mr. John
Barrett, John
Beith, rh Mr. Alan
Bellingham, Mr. Henry
Benyon, Mr. Richard
Bercow, John
Beresford, Sir Paul
Binley, Mr. Brian
Blunt, Mr. Crispin
Boswell, Mr. Tim
Bottomley, Peter
Brady, Mr. Graham
Brake, Tom
Brazier, Mr. Julian
Breed, Mr. Colin
Brokenshire, James
Brooke, Annette
Browne, Mr. Jeremy
Browning, Angela
Burrowes, Mr. David
Burstow, Mr. Paul
Burt, Alistair
Burt, Lorely
Butterfill, Sir John
Cable, Dr. Vincent
Cameron, Mr. David
Campbell, rh Sir Menzies
Carmichael, Mr. Alistair
Carswell, Mr. Douglas
Cash, Mr. William
Chope, Mr. Christopher
Clappison, Mr. James
Clark, Greg
Clarke, rh Mr. Kenneth
Clegg, Mr. Nick
Clifton-Brown, Mr. Geoffrey
Conway, Derek
Corbyn, Jeremy
Cormack, Sir Patrick
Cox, Mr. Geoffrey
Crabb, Mr. Stephen
Davey, Mr. Edward
Davies, David T.C. *(Monmouth)*
Davies, Philip
Davies, Mr. Quentin

Davis, rh David *(Haltemprice and Howden)*
Djanogly, Mr. Jonathan
Dorries, Mrs. Nadine
Duddridge, James
Duncan, Mr. Alan
Duncan Smith, rh Mr. Iain
Dunne, Mr. Philip
Evennett, Mr. David
Fabricant, Michael
Fallon, Mr. Michael
Farron, Tim
Featherstone, Lynne
Field, Mr. Mark
Foster, Mr. Don
Fox, Dr. Liam
Francois, Mr. Mark
Gale, Mr. Roger
Garnier, Mr. Edward
Gauke, Mr. David
George, Andrew
Gillan, Mrs. Cheryl
Goldsworthy, Julia
Goodman, Mr. Paul
Goodwill, Mr. Robert
Gove, Michael
Gray, Mr. James
Grayling, Chris
Green, Damian
Greening, Justine
Grieve, Mr. Dominic
Hammond, Mr. Philip
Hammond, Stephen
Hancock, Mr. Mike
Hands, Mr. Greg
Harper, Mr. Mark
Harris, Dr. Evan
Harvey, Nick
Hayes, Mr. John
Heald, Mr. Oliver
Heath, Mr. David
Hemming, John
Hendry, Charles
Herbert, Nick
Hoban, Mr. Mark
Hogg, rh Mr. Douglas
Hollobone, Mr. Philip
Holloway, Mr. Adam
Holmes, Paul
Horam, Mr. John
Horwood, Martin
Hosie, Stewart
Howard, rh Mr. Michael
Howarth, David
Howarth, Mr. Gerald
Hughes, Simon
Huhne, Chris
Hunt, Mr. Jeremy
Hurd, Mr. Nick
Jack, rh Mr. Michael
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Johnson, Mr. Boris
Jones, Mr. David
Jones, Lynne
Kawczynski, Daniel
Keetch, Mr. Paul
Kennedy, rh Mr. Charles
Kirkbride, Miss Julie
Knight, rh Mr. Greg
Kramer, Susan
Lait, Mrs. Jacqui
Lamb, Norman
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Laws, Mr. David
Leech, Mr. John
Leigh, Mr. Edward
Letwin, rh Mr. Oliver
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Lilley, rh Mr. Peter
Loughton, Tim
Luff, Peter
MacNeil, Mr. Angus
Main, Anne
Maples, Mr. John
Maude, rh Mr. Francis
May, rh Mrs. Theresa
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Mercer, Patrick
Miller, Mrs. Maria
Milton, Anne
Moore, Mr. Michael
Moss, Mr. Malcolm
Mundell, David
Murrison, Dr. Andrew
Newmark, Mr. Brooks
O'Brien, Mr. Stephen
Oaten, Mr. Mark
Opik, Lembit
Osborne, Mr. George
Ottaway, Richard
Paice, Mr. James
Paisley, Rev. Ian
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Pritchard, Mark
Pugh, Dr. John
Randall, Mr. John
Reid, Mr. Alan
Rifkind, rh Sir Malcolm
Robathan, Mr. Andrew
Robertson, Hugh
Robertson, Mr. Laurence
Rogerson, Mr. Dan
Rowen, Paul
Russell, Bob
Sanders, Mr. Adrian
Scott, Mr. Lee
Shapps, Grant
Shepherd, Mr. Richard
Simmonds, Mark
Smith, Sir Robert
Spelman, Mrs. Caroline
Spicer, Sir Michael
Spink, Bob
Spring, Mr. Richard
Stanley, rh Sir John
Stuart, Mr. Graham
Stunell, Andrew
Swayne, Mr. Desmond
Swinson, Jo
Swire, Mr. Hugo
Syms, Mr. Robert
Taylor, Mr. Ian
Taylor, Matthew
Taylor, Dr. Richard
Teather, Sarah
Turner, Mr. Andrew
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Vara, Mr. Shailesh
Viggers, Peter
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Waterson, Mr. Nigel
Webb, Steve
Weir, Mr. Mike
Whittingdale, Mr. John
Wiggin, Bill
Willetts, Mr. David
Williams, Hywel
Williams, Mark
Williams, Mr. Roger
Williams, Stephen
Willis, Mr. Phil
Willott, Jenny
Wilson, Mr. Rob
Winterton, Ann
Winterton, Sir Nicholas
Wishart, Pete
Wright, Jeremy
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Ayes:
Andrew Selous and
Mr. Mark Prisk

NOES

Ainger, Nick
Ainsworth, rh Mr. Bob
Alexander, rh Mr. Douglas
Allen, Mr. Graham
Anderson, Mr. David
Anderson, Janet
Armstrong, rh Hilary
Atkins, Charlotte
Austin, Mr. Ian
Austin, John
Bailey, Mr. Adrian
Baird, Vera
Balls, Ed
Banks, Gordon
Barlow, Ms Celia
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Beckett, rh Margaret
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr. Joe
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blizzard, Mr. Bob
Blunkett, rh Mr. David
Borrow, Mr. David S.
Bradshaw, Mr. Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Mr. Des
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Caborn, rh Mr. Richard
Cairns, David
Campbell, Mr. Alan
Campbell, Mr. Ronnie
Caton, Mr. Martin
Cawsey, Mr. Ian
Challen, Colin
Chapman, Ben
Chaytor, Mr. David
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Clelland, Mr. David
Clwyd, rh Ann
Coaker, Mr. Vernon
Coffey, Ann
Connarty, Michael
Cooper, Rosie
Cooper, Yvette
Crausby, Mr. David
Creagh, Mary
Cruddas, Jon
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
Curtis-Thomas, Mrs. Claire
Darling, rh Mr. Alistair
David, Mr. Wayne
Davidson, Mr. Ian
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dismore, Mr. Andrew
Dobbin, Jim
Dobson, rh Frank
Dodds, Mr. Nigel
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Engel, Natascha
Ennis, Jeff
Farrelly, Paul
Field, rh Mr. Frank
Fisher, Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Flynn, Paul
Follett, Barbara
Foster, Mr. Michael *(Worcester)*
Foster, Michael Jabez *(Hastings and Rye)*
Gapes, Mike
Gardiner, Barry
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gibson, Dr. Ian
Gilroy, Linda
Godsiff, Mr. Roger
Goggins, Paul
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Hain, rh Mr. Peter
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. David
Hamilton, Mr. Fabian
Hanson, Mr. David
Harman, rh Ms Harriet
Harris, Mr. Tom
Havard, Mr. Dai
Healey, John
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John

Hesford, Stephen
Hewitt, rh Ms Patricia
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hoey, Kate
Hood, Mr. Jimmy
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Howarth, rh Mr. George
Howells, Dr. Kim
Hoyle, Mr. Lindsay
Humble, Mrs. Joan
Hutton, rh Mr. John
Iddon, Dr. Brian
Ingram, rh Mr. Adam
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Mr. Martyn
Jowell, rh Tessa
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, Mr. David
Laxton, Mr. Bob
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Love, Mr. Andrew
Lucas, Ian
MacDougall, Mr. John
Mackinlay, Andrew
MacShane, rh Mr. Denis
Mactaggart, Fiona
Mahmood, Mr. Khalid
Malik, Mr. Shahid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCafferty, Chris
McCarthy, Kerry
McCarthy-Fry, Sarah
McDonagh, Siobhain
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McNulty, Mr. Tony
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, rh Mr. David
Miliband, Edward
Miller, Andrew
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moran, Margaret
Morden, Jessica
Morgan, Julie
Morley, Mr. Elliot
Mountford, Kali
Mudie, Mr. George
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Denis
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Naysmith, Dr. Doug
Norris, Dan
O'Brien, Mr. Mike
O'Hara, Mr. Edward
Olner, Mr. Bill
Osborne, Sandra
Owen, Albert
Palmer, Dr. Nick
Pearson, Ian
Plaskitt, Mr. James
Pope, Mr. Greg
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Prescott, rh Mr. John
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Mr. Ken
Purnell, James
Rammell, Bill
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Reid, rh John
Riordan, Mrs. Linda
Robertson, John
Robinson, Mr. Geoffrey
Robinson, Mrs. Iris
Robinson, Mr. Peter
Rooney, Mr. Terry
Roy, Mr. Frank
Ruane, Chris
Ruddock, Joan
Russell, Christine
Ryan, Joan
Salter, Martin
Seabeck, Alison
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Simon, Mr. Siôn
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, Geraldine
Smith, rh Jacqui
Snelgrove, Anne
Soulsby, Sir Peter
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Straw, rh Mr. Jack
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari
Taylor, David
Thomas, Mr. Gareth
Thornberry, Emily
Timms, Mr. Stephen
Tipping, Paddy
Todd, Mr. Mark
Touhig, Mr. Don
Trickett, Jon
Truswell, Mr. Paul
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Ussher, Kitty
Vaz, Keith
Walley, Joan
Waltho, Lynda
Ward, Claire
Watson, Mr. Tom
Watts, Mr. Dave
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Williams, Mrs. Betty
Wills, Mr. Michael
Winnick, Mr. David
Winterton, Ms Rosie
Woodward, Mr. Shaun
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek

Tellers for the Noes:
Mr. Parmjit Dhanda and Gillian Merron

Question accordingly negatived.

Question proposed, That the clause stand part of the Bill.

Rob Marris: Clause 8(4) states that a summary conviction in England and Wales could result in a sentence of up to 12 months, but in Scotland only six months. Why is there a discrepancy?

Paul Goggins: If my hon. Friend will be patient, I shall drop him a line very soon with the answer to that question. It is important that all the penalties set out in such legislation are coherent and fit well with each other according to the seriousness of the offence.

The Temporary Chairman (Mr. Frank Cook): I shall now put the Question—

John Bercow *rose—*

The Temporary Chairman: I call Mr. Bercow.

John Bercow: I apologise for being slow to rise and I am sorry if an air of world-weary cynicism greeted my attempt to contribute. I simply wish to ask the Minister politely if the hurried written note that he has promised will be forthcoming before the vote.

Paul Goggins: I will make the note available at the earliest opportunity. As soon as I am able to provide it to my hon. Friend the Member for Wolverhampton, South-West (Rob Marris), I will be happy to provide a copy to the hon. Gentleman and to ensure that all hon. Members know what it may contain.

Clause 8 ordered to stand part of the Bill.

Clauses 9 to 11 ordered to stand part of the Bill.

Clause 12

TRESPASSING ETC. ON NUCLEAR SITES

Paul Goggins: I beg to move amendment No. 100, in clause 12, page 12, line 34, at beginning insert 'so much of'.

The Temporary Chairman: With this it will be convenient to discuss Government amendments Nos. 101 to 103.

Paul Goggins: I wrote earlier this week to the right hon. Member for Haltemprice and Howden (David Davis) and the hon. Member for Winchester (Mr. Oaten) to explain the purpose of these amendments. The clause makes it a criminal offence to trespass on a licensed nuclear site. By their very nature, such sites contain hazardous material and hazardous activities are carried out there. Although all sites are guarded, unauthorised entry deflects the guard force from its primary duty of securing the site and could also be used by terrorists as cover for an attack. Unauthorised entry to sites could lead to dangers to individuals, not only from the possibility of injury from the plant and equipment present, but from the risk that they could be seen as a terrorist threat and met with an appropriate response. The Government therefore believe that it is right that in the current climate we do what we can to strengthen the security regimes at those sites.

As currently drafted, the offence will apply to all areas of a licensed nuclear site, plus to any other premises that sit within the secure perimeter boundary. That is because sometimes, the fences can sit just outside the area of the licensed site. Since the Bill was introduced, we have looked again at the provisions with a view to ensuring that no more land is covered than is strictly necessary.

At a small number of licensed nuclear sites, there are significant pieces of land which are part of the licensed site—

Mr. Grieve: But outside.

Paul Goggins: The hon. Gentleman reads my mind. There are some parts that sit outside the security perimeter.

No licensable activities have ever taken place on that land; indeed, sometimes it is used by members of the public, under local arrangements with the site operator. It has never been the Government's intention to have the criminal offence of trespass apply to activity outside the secure perimeter boundary at nuclear sites, and it is clearly important that the premises to which the new offence applies should be evident and unambiguous.

The group of four amendments will make it clear that the criminal offence applies only to trespass beyond the secure perimeter that is relied on to protect the nuclear site from intruders.

Jeremy Corbyn: The amendment suggests that anyone outside the perimeter fence, whether at Fylingdales or somewhere else, would not be guilty of trespass. At what point, as they approach the fence, do they become trespassers? Do they have to touch the fence, climb it, look at it, hang something from it, cut it—[HON. MEMBERS: "Sit on it?"] That does not often happen in this place. Will the Minister clarify the amendment?

Paul Goggins: I hope that I can clarify things to my hon. Friend's satisfaction. When people are outside the security perimeter any invasion beyond the perimeter fence would be an offence, but if they were on the licensed site, outside the perimeter fence, they would not be caught by the offence. We want it to be clear that the perimeter fence is what counts. Any movement beyond the perimeter fence would be caught by the measure.

Jeremy Corbyn: May I press the Minister a little on the matter? I have some experience of visiting nuclear sites and I want to know at what point I could become a criminal. If a group of wholly innocent people were encamped outside AWE Aldermaston to protest about the development of a new generation of nuclear weapons and if, to protect themselves from rain and wind, they attached the edge of a tarpaulin to an outside perimeter fence, but had not crossed the fence, would they be committing a criminal act?

Paul Goggins: If they remained outside the perimeter fence they would not be caught by the offence, although I imagine that the people responsible for the site might want to engage them in discussion about the tarpaulin that they had put up against the fence. Provided they remained outside the fence, they would not be committing an offence under these provisions.

David Taylor (North-West Leicestershire) (Lab/Co-op) *rose—*

Mr. Grieve *rose—*

Paul Goggins: I give way to the hon. Gentleman.

Mr. Grieve: Perhaps I can help the Minister. Unless the law has changed, the hon. Member for Islington, North (Jeremy Corbyn) would have to make an effective and substantial entry through the fence to be a trespasser, within the meaning of the clause as I understand it—in exactly the same way as if one were a burglar. I do not know whether that is helpful or whether the Minister agrees; perhaps he would like to tell me.

Paul Goggins: We seem to be getting into deeper water than anticipated. I think that my hon. Friend the Member for North-West Leicestershire (David Taylor) wanted to intervene—

Mr. Heath *rose—*

Paul Goggins: As does the hon. Gentleman. This is sparking a lively and interesting discussion. I do not know how many times I shall need to say that the point at which people go beyond the fence is when they will be guilty of an offence under the clause. As long as they remain outside the fence, even if the site is licensed, they will not be committing an offence.

David Taylor: One of the branches of pure mathematics that I greatly enjoyed was topology. At what point does the fence end and outside the fence start? That is a serious point. Does being outside the fence include touching it or putting one's fingers through it? Will my hon. Friend define the helpful definition that we heard a few moments ago of a substantial intrusion through the fence, so that innocent protesters are not caught by the clause?

Paul Goggins: The hon. Member for Beaconsfield (Mr. Grieve) may be more familiar than me with the

precise wording, but there would have to be substantial entry beyond the fence. That is clear. My understanding is that the individuals concerned would physically have to go beyond the fence; in that sense there would need to be substantial entry to the site. In fact, the amendments are intended to be helpful and to clarify where people would not be committing an offence, whereas if we left the Bill as it is, they would be committing an offence even if they stood outside the perimeter fence and were on a licensed site.

3.15 pm

Mr. Heath: My fear is that this is a rather academic argument. [HON. MEMBERS: "It is very serious."] It is serious because it appears that the police do not need these provisions to arrest someone approaching the fence. Experience outside RAF Fairford in Gloucestershire shows that people can be arrested under previous terrorism legislation simply for wandering around outside a designated area.

Paul Goggins: The hon. Gentleman may regard this as an academic exercise. The Government's intention is to make it clear that those who may be outside a perimeter fence but on a licensed site are not committing an offence. If we left the Bill as drafted, they would be doing so. We do not think that fair or appropriate. We want to clarify the law, and I hope that the Committee will find these amendments helpful.

Mr. David Drew (Stroud) (Lab/Co-op): I apologise for missing the earlier remarks; I was in Westminster Hall. Will the Minister clarify what happens when a site is de-licensed. From my dealings with British Nuclear Fuels Ltd over the years, I think that the rights of someone to enter such a site are perfectly clear at the moment. If the status of a site changes, will the provision remain in place, or will it go, as the site is de-licensed?

Paul Goggins: I can confirm that the provision will cease to apply when a site is de-licensed. I hope that that gives my hon. Friend the confirmation that he seeks. With that, I conclude my remarks.

Mr. Grieve: I am delighted that the Government have moved the amendment. I had read the text as it stands and, indeed, had drafted an amendment, but I then discovered that the Government had got there first, whereupon it did not seem necessary to table such an amendment myself. The Bill as drafted is deeply ambiguous about whether the provision would apply to the area outside the perimeter fence that was subject to the current restrictions. As I understood that the Government wanted to restrict things in that way, I am delighted that they have made it clear that that is not their intention.

As for the questions that were asked earlier, my recollection—I may have this wrong—is that the definition involves effective and substantial entry, so that touching the fence would not constitute entry, but cutting the fence with wire cutters and starting to crawl through it almost certainly would, apart from the fact that the criminal damage to the fence would enable one to be instantly arrested. As for climbing over, when one is on top of the fence is the point where one would be caught by the provisions.

It may be of interest to the Committee if I add that the key case is called R. V. Collins, which is well known to all law students. It concerns a naked young man, wearing only socks, perched on top of a ladder that was resting on a house that he was about to enter as a burglar. The subject matter tends to cause a great deal of hilarity, and the judgment itself—I am happy to give the reference to any hon. Member who may wish to have it—is very amusing indeed, even if the background circumstances are rather less so.

John Bercow: Give us the details.

Mr. Grieve: I shall do so privately behind the Speaker's Chair to my hon. Friend afterwards.

I welcome what the Minister has said; and, of course, we accept these amendments.

Mr. Heath: I also welcome these amendments—they are obviously a sensible adjustment to the original text—but I want to enter an appropriate reservation. The Serious Organised Crime and Police Act 2005 was enacted not many months ago, and it is slightly disappointing to be revisiting provisions that we extensively debated so recently during the passage of that Act. I wish that we could get legislation right and encompass the correct areas in the first instance, rather than having to return to it constantly, perhaps because it was introduced in haste and with insufficient care. Other than making that point, I support these amendments.

Mr. Drew: I want to pursue my earlier inquiry a little further.

Our debate relates closely to what has happened at RAF Fairford, which I have visited on several occasions to talk to my constituents and others. Part of the problem surrounding the dispute and the question of section 44 powers under the Terrorism Act 2000 was disagreement about where the actual perimeter was. During the course of the conflict—it was a real conflict—the authorities moved the perimeter, which forced people away from their original encampment because they were told that it was within the site perimeter.

It might be that the boundary around nuclear sites is more established and understood, but I know from my experience at Berkeley that disputes are ongoing about exactly where the full perimeter goes. I know as someone who is trying to pursue the de-licensing of that site that the matter is subject to arguments about land ownership. The situation is thus not as straightforward as simply saying, "This is the site, so everyone knows where they are."

Will the Minister clarify whether the exact perimeter of a site will have to be laid down before people are excluded from it? The matter might be fairly academic, as the hon. Member for Somerton and Frome (Mr. Heath) suggested, but a nasty situation can arise in the case of a dispute, because people can feel that their rights are being taken away if the designation of a perimeter is changed.

Jeremy Corbyn: I listened carefully to what the Minister said about the Government amendments. If they clarify exactly where people may be before they

[Jeremy Corbyn]

become miscreants under the Bill, they will improve the situation. However, I agree with my hon. Friend the Member for Stroud (Mr. Drew) that there is a question about what the actual perimeter is. I heard what the Minister said about the perimeter fence, but I can envisage a situation in which the people who are protesting at the Atomic Weapons Establishment site at Aldermaston and occupying the ground and car park outside the fence could rapidly find themselves encircled owing to an increase in the size of the fence and site. One can imagine a situation of continual encroachment.

Why is clause 12 in the Bill at all? What is the purpose behind it? Its whole purpose seems to be an attempt to close down, limit and restrict legitimate and peaceful demonstrations against nuclear power, the development of nuclear weapons and nuclear missiles. It could criminalise many people who are undertaking legitimate protest against the immoral possession of nuclear weapons.

When we think of the famous demonstration that took place at Greenham Common for a long time, the current demonstrations at Faslane and Aldermaston and the frequent demonstrations outside Fylingdales and several other places, we realise that we could end up criminalising many people who are undertaking something that I believe to be a perfectly correct and moral activity. The Government should explain why nuclear sites are covered by the Bill at all. The Government amendments represent a bit of an improvement, but as my hon. Friend the Member for Stroud pointed out, they will be open to all kinds of misinterpretation and smart fiddles at a later stage.

Under the clause, as amended, the authorities in charge of any of the designated sites could presumably move the boundaries quite easily. What is the point at which the boundary will be registered, and who will know what it is? Will it be clearly delineated and marked? Such questions matter because the measure might cause people serious legal problems. I hope that the Minister will clarify my points, some of which have been expressed to me by many in the Campaign for Nuclear Disarmament and a lot of peace protestors throughout the country.

The Temporary Chairman: Order. The hon. Gentleman has effectively opened up a clause stand part debate. At present, we are focusing our attention on amendment No. 100. If the Minister were to respond in the manner requested, that would effectively turn the debate inside out. I ask the Minister to confine his remarks to Government amendment No.100 for the moment; otherwise we shall do away with the stand part debate.

Paul Goggins: It might be helpful to my hon. Friends the Members for Islington, North (Mr. Corbyn) and for Stroud (Mr. Drew) if I say nothing at this point and wait for the stand part debate, when I may be in a position to respond to them more fully than would be permitted at this moment.

Amendment agreed to.

Amendments made: No. 101, in page 12, line 36, leave out from 'force' to end of line 42 and insert

'as lies within the outer perimeter of the protection provided for those premises; and

(b) so much of any other premises of which premises falling within paragraph (a) form a part as lies within that outer perimeter.'.

No. 102, in page 13, line 11, at beginning insert 'so much of'.

No. 103, in page 13, line 13, leave out from 'force' to end of line 19 and insert

'as lies within the outer perimeter of the protection provided for those premises; and

(b) so much of any other premises of which premises falling within paragraph (a) form a part as lies within that outer perimeter.'.—*[Paul Goggins.]*

Question proposed, That the clause, as amended, stand part of the Bill.

Paul Goggins: With your permission, Mr. Cook, I will follow up the inquiries made by my hon. Friends the Members for Islington, North and for Stroud. I do not think that I will be able to give as full answers to them now as I would like, given the seriousness of the issues that they have raised. Both my hon. Friends and others have a record of campaigning in this area and have a particular interest in it. I acknowledge and respect that. It is important that I provide my hon. Friends with a full answer.

The essential answer to my hon. Friend the Member for Islington, North is that the provision is in the Bill to deal with the threat that is posed by unauthorised people who enter a nuclear site. The particular relevance is where they might have entered for the purposes of terrorism. That is why it is relevant for the provision to be in the Bill.

I emphasise to my hon. Friend the Member for Stroud that the amendments to the clause relate only to a few licensed nuclear sites. We are dealing with licensed sites, part of which exist outside the perimeter fence. I think that my hon. Friend understands that. The question that he asks—this is why he deserves and will receive a fuller answer from me at a later stage—is about the process for deciding what is the designated site, the process for de-designating that site and the process for deciding where the boundary fence should be and how easily that can be moved. I do not know the answer to those questions now, but I shall try to provide them at a later stage.

I emphasise that the provision is to deal with a licensed site that is outside the perimeter fence. I hope that on the whole it will help to clarify the position and help my hon. Friends with some of the concerns that they may have had.

Jeremy Corbyn: I listened to the Minister and I understand the amendments that have been accepted. I wrote down his words, which were "purposes of terrorism on entering the base". There were many occasions during the Greenham Common women's camp when women climbed over or cut the fence and entered the base to paint flowers on nuclear missiles and hang drapes on tanks—entirely peaceful things. Under the Bill, anyone who climbed into the Aldermaston site and painted something on the walls to the effect that they believed that nuclear weapons were dangerous, illegal and immoral and that this country should adhere to the non-proliferation treaty would not be accused of criminal damage or trespass, as at present, but would become

terrorists, potentially detained for 90 days without going to court while questioning took place, and might then receive a long period of imprisonment.

What message does that send? I am sure that the Minister has many friends who belong to the Campaign for Nuclear Disarmament and have been active in the peace movement all their lives, as have Members on both sides of the House. Are we advancing anything by designating as terrorists people who, by their very nature, are opposed to violence, terror and the existence of nuclear weapons, and who in many cases are equally opposed to nuclear power? I honestly do not see the point of the clause standing part other than gratuitously to criminalise a large body of people who act for entirely peaceful purposes and who have brought about significant political changes. That is simply not a sensible way to proceed. It will further alienate large sections of the population who do not want to be alienated, but do want to engage in serious political debate about the morality of nuclear weapons.

3.30 pm

John Bercow: With what offence would such individuals be charged under clause 12? On the surface, I share the hon. Gentleman's concerns. I have a strong aversion to the Campaign for Nuclear Disarmament and, indeed, to the activities of the Greenham Common women. I am glad that the Coalition for Peace through Security, Peace through NATO, and my noble Friend Lord Heseltine were effective in campaigning against the Greenham Common protesters. However, those protesters were not terrorists and should certainly not be categorised with people who are.

Jeremy Corbyn: I am not sure how grateful I should be for that intervention, but I shall do my best to accept it in the spirit in which it is offered. I should fess up, as I am national vice-chair of the Campaign for Nuclear Disarmament, which I first joined at the age of 16. I have never left it, so I have continuity on the subject. When the history of the 20th century is finally written—

The Chairman of Ways and Means (Sir Alan Haselhurst): Order. I think that the Committee can be spared the history of the 20th century. The hon. Gentleman is experienced enough to know that he is being led astray by the hon. Member for Buckingham (John Bercow), but I am determined that he should stay on the straight and narrow.

Jeremy Corbyn: I never wish to be led astray by the hon. Member for Buckingham (John Bercow). Future generations will recall the Greenham Common women more than they will recall the Coalition for Peace through Security, and Peace through NATO—that is the only point I wish to make on the subject.

The hon. Gentleman made a serious point about for what offence the protesters would be prosecuted. The Minister referred to people entering a site for the purposes of terrorism. He will correct me if I or the hon. Member for Buckingham have misunderstood the provision, but my reading is that everyone who enters a designated nuclear site—whether a power station, a base, a research site and so on—for whatever purpose, whether to plant a bomb or paint flowers on something, would be treated exactly the same and would be convicted under the Bill.

It would be helpful if the Minister explained exactly what he meant, because it appears to me that the provision is gratuitously trying to entrap large numbers of peace movement members within the ambit of terrorism. At the moment, they would probably be charged with criminal damage for breaking a fence and also trespass. Anyone who plants a bomb commits several criminal acts, not least acts preparatory to murder, which are already within the ambit of criminal law. Why, therefore, are nuclear sites and bases included in the Bill? What information is displayed outside bases to make clear the point at which someone becomes a suspect under the terrorism legislation when they cross a threshold? Will signs be put up on all those sites, and will they be designated in that way? These are serious matters as a substantial number of people may end up in prison for a long time.

John Bercow: I fear that unless I explain the point it might sound frivolous when it is not. It is important that people should be notified and forewarned, because I rather suspect that at the Labour party conference the individual concerned was not remotely conscious that he was within an environment in which, by virtue of his attendance and noise, he could be charged under the legislation under which it was proposed that he be charged.

Jeremy Corbyn: Walter Wolfgang has also been at demonstrations outside nuclear sites, so perhaps that should be considered as well. There is a point here about information. Those who have been in the countryside recently will know that the Countryside and Rights of Way Act 2000 has resulted in signs all over the place indicating which pieces of land are open access and which are not. It is possible to do that, and at the very least there should be some indication outside these sites. I hope that the Minister will be able to respond to the points made by me, the hon. Gentleman and my hon. Friend the Member for Stroud (Mr. Drew).

Rob Marris: I welcome you to the Chair, Sir Alan. I could do with a little help from the Minister, following on from the comments of my hon. Friend the Member for Islington, North (Jeremy Corbyn). I am a little confused about what clause 12 is doing in the Bill. The Bill's short title is "Terrorism Bill". As far as I can see, clause 12 makes no mention directly of terrorism. It is an amendment to the Serious Organised Crime and Police Act 2005. When I look at the explanatory notes for clause 12, they make no mention of terrorism or terrorists, or any such word. Will my hon. Friend explain a little more what clause 12 is doing in this Bill, a terrorism Bill?

Mr. Drew: I do not want to take much more of the Committee's time. I know that the Minister is going to write to me—I welcome that and I hope that he will copy that letter to other hon. Members as well—but I have some concerns about the difference between a licensed site and the perimeter of that site. They are not one and the same thing, and people legitimately standing outside a site might be arrested on terrorist offences because they happen to be on what is decreed to be part of the licensed site even though they may be outside the perimeter.

[Mr. Drew]

I agree with my hon. Friend the Member for Wolverhampton, South-West (Rob Marris) that this is a completely inappropriate place to introduce this change. I shall make my point as succinctly as I can. For all sorts of reasons, our nuclear establishments are secure places, but by their very nature they are working places. People who go on to them are passholders and as such they have an obligation to do their job and not in any way threaten the country by the nature of their work. As much as we are trying to keep people out, this has implications for people who work on the inside of such an establishment. I am not sure whether this measure has been thought through sufficiently. If we are talking about someone who did something as a member of staff, that could bring in the whole question of whether they were acting illegitimately and therefore threatening the country and so would be subject to the Bill and deemed to be terrorists. This is beginning to open up a can of worms. I ask the Minister, in the nicest possible way, to reconsider the clause. It may have been inserted with good purpose, but it gives rise to a lot of questions that I am not sure can be answered at this time.

John Bercow: I am at a peculiar disadvantage, although I do not think that I am uniquely in that position to judge by the contributions that have been made so far. I say that I am at a disadvantage because I do not have section 15 of the Serious Organised Crime and Police Act 2005 readily to hand. I would go further and vouchsafe to the House that I do not have a copy of the Act or any part thereof readily to hand. However, there is a serious issue here. Clearly, clause 12 is designed to amend the provisions of that Act passed only a short time ago this year. I have read clause 12 patiently and with some care on four occasions, but I am none the wiser.

A consensus is emerging and, while it is implicit rather than explicit, it is important—in matters of this kind, it is incredibly important that our terms are tightly defined and that the legislation is narrowly confined to that which it needs to address. If we do not do that, we will not only create uncertainty, because people will not know what many of the clauses mean, but be in danger of debauching the currency of debate about terrorism legislation itself, which greatly bothers me.

I cannot see why this clause must be in this Bill. It may be perfectly worthy, but it would be more effectively and appropriately incorporated in different legislation.

Stewart Hosie: Will the Minister make it clear that the objective is to charge people with the criminal offence of trespass under the Serious Organised Crime and Police Act 2005 and not to create a new terrorism offence of trespassing on designated protected sites?

Paul Goggins: In reply to the hon. Member for Dundee, East (Stewart Hosie), clause 12 adds civil nuclear sites to the category of sites that fall within the ambit of the criminal trespass regime created by sections 128 and 129 of the Serious Organised Crime and Police Act 2005. In this country, there is a respected tradition of the right to protest, but there is no right to trespass.

I suspect that many of my hon. Friends, including my hon. Friends the Members for Islington, North (Jeremy Corbyn) and for Stroud (Mr. Drew), would not be happy with the provision, regardless of the legislation in which it was introduced. As I have said to my hon. Friend the Member for Islington, North, the offence of trespass is wider than only terrorists, but it should be extended in this Bill because someone who trespasses on a nuclear site poses a terrorist risk. The hon. Member for Buckingham (Mr. Bercow) said that he cannot see the relevance of clause 12, but the offence would be extremely relevant if a terrorist were to gain access to a nuclear site.

The purpose of clause 12 is not only criminalising people who protest, but protecting them properly. If a protester got on to a nuclear site, it may be assumed that he is a terrorist and that he presents a risk, in which case the action taken may be wholly disproportionate to what the individual concerned intended, so the fact that someone is on a nuclear site without authority puts him at risk. Clarity around the law will protect the interests of protesters, who should know where they stand and where they can and cannot go.

Mr. Mike Weir (Angus) (SNP): The Minister has confused me. He is discussing the presumption that someone is a terrorist if he is on a particular site. Notwithstanding the fact that that will be an offence under the Serious Organised Crime and Police Act 2005, will such a person be detained under the provisions passed yesterday?

Paul Goggins: Will the hon. Gentleman reflect on a situation in which somebody, whether he is a terrorist or a protestor, trespasses on to a nuclear site, and those responsible for security must make a quick decision about that individual's purpose and intent? I assume that those responsible for security would fear the worst and act accordingly. Clause 12 makes it clear that people are not permitted to trespass on such sites and that there are consequences to doing so. The last thing that we want is for somebody who is a terrorist to stray on to a nuclear site and do dreadful harm with the machinery and power that exists there.

John Bercow: Notwithstanding the Minister's explanation and justification, I find myself unpersuaded. Given that he prays in aid the importance of achieving clarity, will he be good enough to tell the House with what precise offence the individual would be charged if it transpired that he was not a terrorist but merely a trespasser? Given that the Minister refers to the consequences that must flow from the act, what would they be in terms of the range of penalties?

3.45 pm

Paul Goggins: As I said in response to the hon. Member for Dundee, East, the offences with which individuals would be charged were they to be found unauthorised on a nuclear site, with all the attendant risks that I described, would be those contained in sections 128 and 129 of the Serious Organised Crime and Police Act 2005.

The hon. Member for Buckingham and my hon. Friend the Member for Islington, North asked about the clarity of information at a nuclear site about where it

begins and ends and what the consequences would be for people who stray on to it without authority. That is a fair point. The signs at the site should make the legal position of anybody who trespasses very clear. I assume that that is so, but I will check to make sure. Certainly, as the new powers and new offence come into operation we will need to ensure that the information provided is accurate and up to date.

Jeremy Corbyn: At many sites, it is clear where the fence is but not clear who owns, controls or occupies the land immediately outside it, so one could easily end up criminalising people for taking part in a legitimate and peaceful demonstration. Will the Minister clarify that?

Does the Minister acknowledge that there is a fundamental difference between somebody trying to enter a base with a terrorist intent to cause damage by explosion or other means—not to mention the damage that would be caused by nuclear weapons being exploded anywhere—and peace protestors whose whole raison d'être is to stop the use of nuclear weapons and not to cause any damage or violence?

Paul Goggins: Of course I accept that people may be in an unauthorised place for different purposes, but those responsible for security may not be able to make a quick judgment about that. If they had to do so, they would, rightly, fear the worst.

Let me put another scenario to my hon. Friend. What if a terrorist decided to enter an unauthorised nuclear site posing as a protestor, perhaps even with other protestors? How would the differentiation be made in that case? We need clarity in the law to ensure that anybody on one of those nuclear sites without the authority to be there is outside the law and guilty of trespass under the Serious Organised Crime and Police Act.

John Bercow *rose—*

Paul Goggins: I am conscious that we have many other issues to discuss, but I am always tempted to give way to the hon. Gentleman.

John Bercow: The Minister is extremely courteous, and I appreciate that. Given that he talks about clarity, let me probe him a little further. If the individual is not a terrorist and is present for what many people, including the hon. Member for Islington, North (Mr. Corbyn), would regard as a much more modest and innocent purpose, would that be reflected in the penalty that he or she might face? Will it be among the penalties in the 2005 Act, which I do not have in front of me and would need to know more about, or is the driving criterion the seriousness of the establishment that is being attended? There is a great deal of confusion and uncertainty, and it is not only in my head.

Paul Goggins: In order to give the hon. Gentleman a precise answer I would need to stray into the next clause, which clearly stipulates that the maximum length of imprisonment for this offence would be 15 years. It would of course be for the court to decide on the appropriate penalty in the light of all the circumstances. I would assume—I think that it is a fair assumption—that if somebody was there as a protestor, albeit that he had committed an offence, the court would bear that in mind when setting the penalty. Anyone who was there and proved to be a terrorist might face an even heftier penalty because he might be guilty of other offences. I therefore hope that I can assure the hon. Gentleman that the penalty would be proportionate to the circumstances. It would be for the court to decide, but a serious penalty is associated with the specific offence because it may be appropriate.

I shall write to my hon. Friend the Member for Stroud and place a copy of the letter in the Library. He raised important issues on clarity about authorised sites and the perimeter fence. They require a detailed answer and I am happy to provide it.

Lynne Jones (Birmingham, Selly Oak) (Lab): Like many hon. Members, I am oscillating about the clause. Like my hon. Friend the Member for Stroud (Mr. Drew), I have constituents who were detained, stopped and searched and, in many cases, harassed under the Terrorism Act 2000 for protesting peacefully outside Fairford—I have good evidence that they were inappropriately harassed. I am worried that similar circumstances could arise under the Bill. Although I am clear about the boundary and I can understand that someone who crosses the boundary commits an offence, I remain unclear about the reason for including such a provision in the Terrorism Bill. If someone got over a perimeter fence and proved to be a terrorist, surely he could be charged under other legislation rather than simply being charged with crossing the perimeter fence.

Paul Goggins: Indeed, there may be other legislation. My hon. Friend the Member for Stroud speculated about someone who might be authorised to be on a specific site, for example, through working there, but had a malevolent purpose and might be a terrorist. That person would be guilty of other offences and charged appropriately. People who trespass might be guilty of other offences and charged appropriately. I hope that I can offer the clarity that my hon. Friend the Member for Birmingham, Selly Oak (Lynne Jones) seeks. Her constituents, to whom the police may have spoken and intervened in their activities, would not be guilty of trespass under the clause if they were outside the perimeter fence, even if they were on a designated site.

Through our amendments, we tried to provide clarity in the law, which will be helpful to constituents such as those of my hon. Friend the Member for Stroud.

Mr. Drew: As the Under-Secretary should know, the problem at Fairford is that the police determined the perimeter around the base. It was not the perimeter of Fairford—the police chose a zone that was well around Fairford. They either exclude people from it or issue them with section 44 certificates. The provision gives the authorities enormous power and we need to know exactly what it entails for law enforcement agencies' responsibilities.

Paul Goggins: Again, my hon. Friend makes a powerful point. In the letter that I send him, I shall set out the process whereby such decisions are made. How decisions are made and then communicated to people who have an interest in them are key points.

[Paul Goggins]

I may inadvertently have given some incorrect information to the hon. Member for Buckingham about the penalty. I am seeking further advice, but I can confirm that if the penalty is different from the one that I stated, it will be lower, not higher.

John Bercow: Drop me a note.

Paul Goggins: I will.

The Chairman: Perhaps the Under-Secretary will drop me one, too.

Question put and agreed to.

Clause 12, as amended, ordered to stand part of the Bill.

Clause 13

MAXIMUM PENALTY FOR POSSESSING FOR TERRORIST PURPOSES

Question proposed, That the clause stand part of the Bill.

Rob Marris: Subsection (2) reads:

"Subsection (1) does not apply to offences committed before the commencement of this section."

Clauses 15(3) and 14(2) are similar provisions. Will any offences that the Bill creates apply retrospectively? Clauses 13, 14 and 15 specifically state that they are not retrospective.

Paul Goggins: My understanding is that, as with any legislation, the Bill will go through the House and receive Royal Assent, and that there will be a date of commencement. That is the date from which that offence and those penalties will operate. I hope that that is clear to my hon. Friend. It may or may not be; we shall see.

Rob Marris: I am sorry to trouble the Minister on this, but Ministers often tell a Committee, "Such an amendment is unnecessary because the matter is covered by existing legislation." When the Minister replied to my question, however, he seemed to say, "We do not really need that wording, because nothing is retrospective." I generally accept that that is the position in British law; nothing is retrospective except in very exceptional circumstances. Yet here we have clear wording in three clauses—including clause 13, which we are now debating—that indirectly raises the issue of retrospectivity. That is why I am concerned. The Bill seems to be specifying something that would not normally need to be specified in any Act passed by the British Parliament.

Paul Goggins: That might be my hon. Friend's view, but our aim is to be as clear as we can be in the Bill. The provision deals with an existing offence, so we want to make it as clear as possible that the penalty referred to in subsection (1) does not apply to offences committed before the commencement of the clause. We want to make that absolutely clear. I think that it is clear, and I hope that, in time, my hon. Friend will agree.

Question put and agreed to.

Clause 13 ordered to stand part of the Bill.

Clause 14 ordered to stand part of the Bill.

Clause 15

MAXIMUM PENALTY FOR CONTRAVENING NOTICE RELATING TO ENCRYPTED INFORMATION

Question proposed, That the clause stand part of the Bill.

Mr. Heath: I should like to put three brief questions to the Minister. Will he confirm that section 53 of the Regulation of Investigatory Powers Act 2000 is not yet in force? Will he tell us why it is not in force? Have the police not at any time in the past five years asked for it to be put into force?

Paul Goggins: I can confirm that the section is not yet in force. I fear that to satisfy the hon. Gentleman I should need to go into a level of detailed explanation that I am not in a position to do at the moment. However, I shall happily write to him with the explanation that he seeks.

Mr. Grieve: The hon. Member for Somerton and Frome (Mr. Heath) very properly pre-empted me by asking the Minister the question that I wanted to ask him. Will the Minister please also write to me with the answer? It is bizarre that an issue that we wrestled over at some length—and then wrestled over again when we discussed encrypted pornographic material and sex offenders—should still lie fallow, when apparently it was so urgently needed.

Paul Goggins: I would not dream of writing to the hon. Member for Somerton and Frome without copying the letter to the hon. Member for Beaconsfield (Mr. Grieve).

Question put and agreed to.

Clause 15 ordered to stand part of the Bill.

Clause 16 ordered to stand part of the Bill.

Clause 17

COMMISSION OF OFFENCES ABROAD

Mr. Heath: I beg to move amendment No. 90, in clause 17, page 16, line 3, leave out 'and'.

The Chairman: With this it will be convenient to discuss amendment No. 91, in clause 17, page 16, line 5, at end insert

'and

(c) the action involves harm or the threat of harm to a national of the United Kingdom.'.

Mr. Heath: Amendments Nos. 90 and 91 stand in my name and those of several of my hon. Friends, as well as those of the hon. Member for Beaconsfield (Mr. Grieve) and the right hon. Member for Haltemprice and Howden (David Davis). They are probing amendments designed to give us a clearer understanding of the

Minister's intentions in clause 17. As I read it, it appears to create a universal jurisdiction in regard to these offences. In other words, if anyone anywhere commits a crime that falls into the necessary categories and is a crime in the United Kingdom, that crime will be prosecutable in a British court of law. If that is the case, those crimes would become part of a small subsection of crimes that are prosecutable on that basis. Examples include genocide, war crimes and I think that there is another one, but it has escaped my memory—

John Bercow: Crimes against humanity.

Mr. Heath: I thank the hon. Gentleman. Some sexual offences are also included. I do not argue against that, although I accept that the amendment would restrict the application simply to those crimes that directly affected British nationals or the interest of the United Kingdom through British nationals.

4 pm

I can see a counter-argument, which I ask the Minister to confirm is the Government's view: if it were to be restricted, individuals who were indictable for the offences, and who could not be extradited either to their country of origin or the country in which the crime was committed because of our treaty obligations, would not be subject to due legal process. Britain would therefore provide a service in allowing for a prosecution where otherwise the person would go free because the crime of which they were accused was committed in a country that perhaps retained the death penalty, thus making extradition impossible. Will the Minister therefore confirm the categories of crime that he expects to be caught under the purpose of the clause, and that we are applying a principle of universal jurisdiction in this area? If that is the case, he will have the support of the Liberal Democrats.

Mr. Kenneth Clarke: The hon. Member for Somerton and Frome (Mr. Heath) introduced his amendment in a very low key way. I have been rather disturbed by clause 17, however, and would welcome his amendment and seek considerable reassurance before we let this extraordinary provision pass through.

The effect of clause 17, as I understand it, is to make it a criminal offence for any person of any nationality to commit an act as described in the whole of part 1 of the Bill in any part of the globe, and to make that person subject to criminal prosecution when they come to this country. Somebody yesterday described the jurisdiction being sought as extraterrestrial—it does not go that far, but it is certainly extraterritorial on a grand scale. If one considers the totality of part 1, one realises that it is extraordinary that we are being asked to contemplate that proposition.

Mr. Grieve: I think that it is extraterrestrial—the scope of the Bill is not limited to the planet Earth at all, and on that basis, if the Bill applies outside the United Kingdom it must also be extraterrestrial.

Mr. Clarke: As I understand it, were a little green man to get out of a flying saucer anywhere in the United Kingdom, and were he suspected of having committed the act of encouraging terrorism before he left the planet from which he had departed, he would immediately be subject to the provisions of the Bill. That puts another complexion on the problem.

Of course we understand that there are a few very serious cases for which we accept the case for universal jurisdiction: genocide, crimes against humanity and things of that order. With the greatest respect, I do not think that large parts of part 1 come remotely near that category of crime. I will not rehearse the arguments that we had yesterday about clause 1, as it stands, on the encouragement of terrorism. Members on both sides of the Committee were concerned about comparatively harmless, innocent acts of political protest that might be construed to be offences under clause 1.

Under clause 17, we are being asked to consider that acts of that kind, committed by anybody in any country of the world, should be regarded as terrorist offences, so that such people could be arrested and dealt with if they came to this country.

I can see that there are cases in which terrorist acts committed abroad should render the people responsible for them liable to arrest—such cases are tantamount to crimes against humanity. Anybody who has blown up a school bus in any part of the world should not automatically expect to be immune from prosecution if they happen to come to this country and the British authorities arrest them on British territory. I accept that, but as I have said, that is not what part 1 encompasses.

Mr. Heath: I do not disagree with the right hon. and learned Gentleman. Perhaps I did present the amendments in a slightly low-key way, but that was because I wanted to return to the issue of definition later. If the definition is sound the clause is sound, but if the definition is not sound the jurisdiction becomes extremely wide.

Mr. Clarke: I was not criticising the hon. Gentleman. I can, however, envisage enormous difficulties. Let us suppose that someone comes here from Chechnya, from Kashmir or from Uzbekistan. I will not go on: it would take a long time to recite the names of all the territories on which people have been guilty of terrorist offences, or at least of encouraging terrorist offences in the terms of clause 1. That person would then find himself liable to prosecution for something that had happened a long way away.

The defence will be—I know this, because it is in the Bill—that such prosecutions will be brought only with the consent of the Attorney-General. We shall hear the argument that we heard yesterday—that the Attorney-General will only bother to prosecute people who have been accused of serious offences in the country. As I said yesterday, I do not approve of passing catch-all legislation on the basis that we can make as many acts as possible criminal and justiciable, relying on a wise Attorney-General not to bother to enforce the law despite its wording.

Mr. Denham: The Government might be storing up a problem. A number of Governments with whom we are generally friendly regard some of their own citizens as terrorists, while the British Government have taken a more ambiguous view. In the past, the British

[Mr. Denham]

Government have said "We cannot deal with these people while they are resident in this country, because they have not broken any British law." If this law is passed, will there not be intense pressure on the British Government to prosecute a range of people who are disapproved of in those other countries, although we would prefer not to do so? The Attorney-General will be in an incredibly invidious position.

Mr. Clarke: The right hon. Gentleman has made a point that I intended to make. That is the other snag involved in relying on the Attorney-General's protection. Friendly Governments, including the American Government, might define some people from some parts of the world as terrorists, and the British Government might not entirely agree. The Russians would certainly regard many people from the Caucasus as terrorists, and we might not find that a non-controversial assertion. Again, I will not go on, but in the case of other regimes even more tenuous examples could be given.

The Governments of those overseas territories will expect the British Government to use their authority, granted by Parliament, to arrest such people when they come to this country, and to deal with them. The Attorney-General will then not merely be acting in his capacity as adviser on legal matters to the Government; he will be seen to be making—indeed, will be making—a political decision, as a matter of public policy, on whether we should accede to the request of an overseas Government for someone whom they regard as a dangerous agitator to be arrested because he has come to our shores.

Mexico must deal with Zapatistas, while half of Central America is dealing with Sandinistas and others. The examples are legion. The situation would be made more difficult by the fact that, as some of the bodies involved are very controversial, there would be political division in this country. Members of some parties in the House would demand that some South American fascist be arrested and put on trial while Conservatives demanded the arrest of some campaigner elsewhere, and the Attorney-General would be in the middle of it all.

If someone had committed a terrorist act in Kashmir—had actually taken part in such an act—I am not sure that I would see any objection to his arrest and prosecution in this country. When I was Home Secretary, I was concerned about cases in which people were organising terrorism in Kashmir from this country. We were inhibited in doing anything about it. In modern times, it is possible to organise a terrorist act in a very different jurisdiction thousands of miles away. But part 1 of the Bill, which includes this particularly difficult provision on encouraging terrorism, is not concerned with that category. I regard as utterly fatuous opening the door to Governments throughout the world making representations that a particular person in this country is "encouraging" terrorism—in the very soft terms that this Bill uses to create that offence—and demanding that we arrest the person and put them on trial in the British courts. That has absolutely nothing to do with what the Government have always maintained is the Bill's underlying purpose: to make us all feel safer from the threat of terrorism here. This provision is opening up a political can of worms that Parliament should not contemplate.

John Bercow: I fear, Sir Alan, that my right hon. and learned Friend's concerns are justified and that they can be mitigated only if amendment No. 90 is accepted. I put it to him that there is another concern in this context. Given that a large proportion of asylum seekers come to this country from countries where civil conflict or human rights abuse is a fact of life, is there not a real concern that if this clause is unamended, countries from which people are fleeing will demand that the terms of this legislation be used against those individuals, or that they be herded back en masse to face a pretty grim form of justice at home?

Mr. Clarke: That point had not occurred to me, but I agree with it entirely. So far as I can see, successful asylum applicants could well find themselves immediately vulnerable to prosecution here under this provision, at which I have expressed my outrage. This is in no way a routine part of the Bill and I do not understand why we are being asked to give this provision universal application. It will take a great deal from the Minister to persuade me that we should take this wholly exceptional step in determining the jurisdiction of this country and the application of this Bill.

Jeremy Corbyn: I agree with what others have said about clause 17 and the two amendments to it, both of which I support. We have had this discussion about extraterritorial jurisdictions before, and the turning point was the case of General Pinochet. The case for his extradition to Spain was brought here, and the historic ruling of the House of Lords was that crimes against humanity, genocide and torture were universal in their jurisdiction. That is now accepted as fact, and everyone will agree that such major crimes should be universal. But I find it bizarre that this Bill seeks to make its many catch-all clauses universal, in terms of the jurisdiction of this country.

Successful asylum seekers have gained asylum and refugee status in this country because it was deemed that they would be subject to irrational, unusual or dangerous punishment if they were deported to their country of origin; that is not, however, a judgment one way or the other on what they were doing in that country. Indeed, many of us have supported asylum seekers in their right to seek asylum in this country with whose politics or religion, for example, we profoundly disagreed. They are granted asylum on the basis that they are being granted a place of safety.

On the question of interpretation, all those who took part in the struggle in Chechnya and who sought asylum in this country from Russia have been labelled terrorists by the Russian Government, whether or not they took part in any military activity. It is a convenient label for the Russian Government to use. The same applies to those who in the past sought asylum from parts of central America. The United States Government labelled them, saying that any Sandinista was automatically and ipso facto a terrorist because they were a Sandinista. That does not mean that they actually were, and in any event, who takes such decisions? The

Bill as it stands would give the Attorney-General an enormous amount of work, and hand him a large can of worms.

Another problem would arise if the status of an organisation in terms of political approval were to change. For example, the Kosovan Liberation Army used to be on the US State Department's terrorist list. It was removed and, after a period of reflection that lasted only 24 hours, was placed on the list of freedom fighters. The transfer was very rapid, and probably the fastest in history.

4.15 pm

Let us look at the example of a person accused of committing terrorist acts for the KLA. If that person came to this country, would he or she be prosecuted, under the terms of the Bill? Another difficulty has to do with the quality of evidence available in such circumstances. What rules exist to determine whether a person committed an act of terror? How could independent witnesses be found? How would the necessary evidence be gathered? I hope that the Minister can help with all those questions.

The proposal takes us into dangerous and uncharted waters. As with previous clauses, I want to know why clause 17 has been included in the Bill. The amendments that we are debating would help a great deal, as they make it clear that jurisdiction would be restricted to the UK. They would protect us from the can of worms that would be opened up by the need to make subjective decisions about people involved in political campaigns around the world. The amendments would allow the protection of the Geneva convention to apply, in accordance with normal procedure.

Mr. Grieve: I am grateful for the contributions that have been made in the debate, and especially that of my right hon. and learned Friend the Member for Rushcliffe. I added my name to the amendments because, like him, the clause struck me as a quite extraordinary provision.

In part, the problem arises out of the definition of "terrorism". A definition that covered extraterritorial activity in the way suggested by the right hon. Member for Southampton, Itchen (Mr. Denham) would go some way towards resolving the problem, but by no means all the way. For example, an offence under section 54 of the Terrorism Act 2000 relating to weapons training would be caught by the Bill, even though weapons training that takes place abroad might be considered legitimate or even worthy if it were carried out by freedom fighters opposing a disgraceful regime. To put the matter bluntly, any freedom fighter involved in Iraq before the overthrow of the Iraqi regime in Kurdistan would be caught by the provisions of the Bill, but that cannot be what the Government intend.

That returns us to the point that, laudable though it may be to try to impose some universal jurisdiction in these matters, close examination shows the task is impossible. There will always be a series of unintended consequences that make such a jurisdiction unworkable.

My underlying anxiety about the Bill is that it contains—dare I say it?—the foundations of some new world order. I listen carefully to the Prime Minister, who has said that the rules of the game have changed. He never explains what that means, but it has begun to dawn on me that he believes in a new and universal world order, in which any form or manifestation of terrorism or violence against the state would be eradicated. It seems to me that that belief lies at the heart of many of the proposals in the Bill.

That is all very well, but the whole edifice crumbles when subjected to scrutiny and to questions about people's right to take up arms against hideous regimes. We might be able to proceed only if we could achieve a definition of terrorism abroad with which the Committee was so universally satisfied, in the same way that the hon. Member for Islington, North (Jeremy Corbyn) is satisfied about definitions of torture and genocide, that all hon. Members could feel absolutely comfortable that it described an activity that under no circumstances could ever be justified. I have to say that achieving such a definition would be fairly miraculous.

Jeremy Corbyn: Does the hon. Gentleman agree that genocide and torture are clearly defined offences in international law, so they can legitimately be prosecuted in this country, whereas, as he rightly pointed out, there is no definition of terrorism that can be applied either in this country or anywhere else, so the information that we would have to rely on would be subjective?

Mr. Grieve: I agree entirely. We know that the United Nations has been struggling to find a definition of terrorism, which is very difficult, partly because many member states would be only too happy to have the freedom fighters who are opposing their own vile regimes so tarnished and so represented. There is a very real problem.

The question is: should we divide the Committee this afternoon, or leave this matter to Report, to allow the Minister to go away and consider it more carefully? As the provision stands, it cannot stay in the Bill. The entire clause is wholly flawed. The question is: should we try to remove it now, or give the Government the opportunity, linked with what the right hon. Member for Southampton, Itchen is trying to do, to attempt to reconcile things? They would have to achieve what I still think would be a fairly miraculous outcome—a definition of terrorism abroad that we all accept, and linked to that, the creation of an offence of committing offences abroad that is wholly restricted to that type of terrorism and catches nothing else. Otherwise, we would be doing something that is both foolish and wrong. I hope the Minister will respond positively to the points that have been made.

Helen Goodman (Bishop Auckland) (Lab): I entirely agree with what has been said by other hon. Members on this subject. When the Minister responds, will he also say something about how the Bill interacts with the Immigration, Asylum and Nationality Bill, which is also passing through the House? There has been some discussion on that Bill, and clearly, the two are closely related.

Mr. Peter Robinson: When I first read clause 17 I assumed that it was just badly drafted. I was reinforced in that belief when I read the explanatory notes, which make it clear that

> "The purpose of this Bill is to reform and extend previous counter-terrorist legislation to ensure that the UK law enforcement agencies have the necessary powers to counter the threat to the UK posed by terrorism."

[Mr. Peter Robinson]

As has been said, the purpose of the Bill is therefore to safeguard our citizens within the United Kingdom—although I suppose that one could say that that applies to our citizens outside the United Kingdom as well.

I therefore assumed that the Bill was incomplete, because it should have clearly identified, as the amendment would, the parameters within which clause 17 should operate. I had expected an early intervention by the Minister to say that of course that was what the Bill intended to do, and that whether he wanted to use precisely the language of amendment Nos. 90 and 91 or different language, he would table an amendment to the effect that the provision would apply outside the United Kingdom only in respect of acts of terrorism relating to citizens of the United Kingdom outside the United Kingdom, or acts preparatory to terrorism that would impact on the United Kingdom.

It would be ludicrous for the Bill to make our courts, in effect, world courts, and our police, world police. To go down that road would throw up all sorts of problems for the future, so I hope that the Minister will confine himself to legislation that impacts upon the UK and its citizens, rather than trying to be responsible for the whole world. Let extradition treaties and the like deal with offences that might be committed outside the United Kingdom relating to other countries.

Paul Goggins: Not for the first time in our deliberations, we are operating in the context of a wider debate on other aspects of the Bill. The whole issue of the definition of terrorism, which we will doubtless discuss further, is relevant here. My right hon. Friend the Home Secretary has made it clear throughout that he is deeply engaged in that discussion and listens carefully to the points made. That will be evident throughout our proceedings. The hon. Member for Belfast, East (Mr. Robinson) said that he thinks that there is a problem with the drafting of the clause, and we will bear that in mind because he is always constructive on such issues.

For the benefit of the hon. Member for Somerton and Frome (Mr. Heath), I would point out that the offences included are clearly set in clause 17(2)(a) to (g). The right hon. and learned Member for Rushcliffe (Mr. Clarke) has huge experience in this area, which I respect and take seriously. He anticipated the line about the Attorney-General and, of course, he would weigh the seriousness of the offence concerned. I agree with my right hon. Friend the Member for Southampton, Itchen (Mr. Denham) that the Attorney-General will face some difficult judgments—as he does in every area of his work—at times, but I am sure that the Committee will have every confidence that he will be able to reach a decision.

The measures in the Bill are intended to facilitate the fight against terrorism of all kinds and wherever it may occur. We need to deal with the threat, which has to be seen increasingly in the international context. Clause 17 is necessary to ensure that we comply with international conventions that the UK has ratified.

Mr. Kenneth Clarke: The Minister touches on the role of Attorney-General. I do not doubt the Attorney-General's legal advice and it is his role to give advice to Ministers on such matters, but in this case he would be drawn into diplomacy. Much would depend on the current state of our relations with a country, whether some fraught issue was coming up at the United Nations on which we might require that country's support or whether some trade negotiations were imminent. If the Egyptian Government suggested that someone here was encouraging terrorism in their country through their speeches or the way in which they sang songs that appeared to glorify terrorism, or if the Turks had trouble with some Kurds living here, or the Indians had trouble with some Kashmiri, the Attorney-General would have to ring the Foreign Office for the public policy on whether to be helpful, friendly and co-operative with the country concerned. The Home Secretary has to do that sometimes. I remember negotiating an extradition treaty with the Indian Government that was closely bound to their relations to the Foreign Office. However, it would be wrong to pass a criminal law and rely on the Attorney-General's diplomatic judgment at any given moment as to whether we should initiate criminal proceedings to cheer up some other Government who believe that somebody here is encouraging terrorism or attending terrorist training.

Paul Goggins: It may be the Home Secretary's role to negotiate treaties, to discuss such matters and to reach political judgments, but it is the Attorney-General's role to make a judgment about the law. I am sure that all hon. Members would have confidence in him as he exercised that role, but it is a very different role from that of the Foreign Secretary or the Home Secretary.

4.30 pm

Mr. Grieve: It is not just a question of the Attorney-General's discretion, but of what happens to the victims of totalitarian government. For example, let us consider what might happen if in Zimbabwe tomorrow there were to be an attempt to remove President Mugabe's Government by force, but it failed and some of the participants wanted to escape to the United Kingdom because they feared for their lives. If they were aware of the provisions of the clause, they would know that, because they had constructed explosives or weapons before their attempt to overthrow their Government, they had committed a criminal offence under UK law which would make them liable to many years of imprisonment. In those circumstances, they would not try to come to this country. There would be no question of their being able to ring up the Attorney-General to ask him whether they would be prosecuted if they came to the UK. The law as currently drafted is dangerous nonsense and I hope that the Minister understands that.

Paul Goggins: I do not accept the assertion that it is dangerous nonsense. I want to put a serious point to the hon. Gentleman. I do not need to explain to any Member that terrorism must be seen in an international context, which includes our obligations. The hon. Gentleman mentioned weapons training. To ratify the Council of Europe convention on the prevention of terrorism we need to ensure that UK legislation reflects our international obligations. We also have obligations under the United Nations nuclear weapons convention. Our proposals, which the amendments would distort, would fulfil our international obligations.

Mr. Grieve: Will the Minister read out to the Committee our obligations in respect of weapons training under the Council of Europe convention? I should be surprised to discover that the convention requires the UK Government to take a universal jurisdiction in the condemnation of all forms of weapons training.

Paul Goggins: I am not sure that these are the exact words of the convention, but article 14 of the Council of Europe convention on the prevention of terrorism requires us to take wide extraterritorial jurisdiction, including over the actions of our nationals, irrespective of the nationality of their victims.

Mr. Heath: Our nationals.

Paul Goggins: Indeed. Our obligations under the convention require that wider international context. That applies not only under the European convention but also under the UN nuclear convention. We need to consider the Bill within that wider context. The hon. Gentleman's amendments would limit the fight against terrorism only to instances where there was harm or threat of harm to a UK national. That would put the Bill out of kilter with existing legislation and would also mean that we could not prosecute those who prepare acts of terrorism against fellow human beings who are not British. For example, an attack planned against a British company in another country which employed only locally engaged staff would not be covered if the hon. Gentleman's amendments were agreed.

Ms Keeble: Are not the extraterritorial powers and their application similar to the South African legislation under which Mark Thatcher was caught when he tried to get involved in activities in a third country?

Paul Goggins: My hon. Friend knows more about South Africa and the reach of its laws than me, but I draw to her attention the fact that we have obligations under the treaties and conventions that we have signed and we need to fulfil them. The proposed legislation will enable us to do so.

John Bercow: I should be very surprised indeed if there were a Council of Europe provision that mandated the inclusion of clause 17. If such exists, it is incumbent on the Minister to write to all Members specifying exactly what it is. I put to him in all sincerity that there is a circularity about the argument that he is deploying. He told my right hon. and learned Friend the Member for Rushcliffe (Mr. Clarke), in all innocence and with a degree of insouciance, that of course the Attorney-General would make judgments on those matters because that is what he does. But what I say to the Minister, and what I think my right hon. and learned Friend was saying, is that of course the Attorney-General will do what he is obliged to do by the law, but it is quite wrong to pass a clause that requires him to behave in that way. That is the point. By the way, I am sure that the Minister will not forget to deal with the issue of asylum seekers that I raised, or with the concerns expressed by the hon. Member for Bishop Auckland (Helen Goodman).

Paul Goggins: I hope to have the opportunity to do so in due course, and I am certainly happy to clarify the issue in writing to the hon. Gentleman, with copies placed in the Library for other hon. Members to look at.

Jeremy Corbyn: If the Minister could send me a copy of his letter to the hon. Member for Buckingham (John Bercow), I should be very grateful.

What reciprocity is there with any other country in the world that has sought universal jurisdiction for any offence committed under some form of terrorist legislation? How does the provision fit in with the normal extradition process?

Paul Goggins: The hon. Member for Beaconsfield (Mr. Grieve) mentioned the new world order. We are dealing with a challenge of global proportions, and in meeting that challenge, it is important that we draw up agreements with one another across the international stage and that we honour those agreements. In passing clause 17, we would put into effect a number of our obligations under existing conventions and agreements.

Mr. Kenneth Clarke: The hon. Gentleman wisely cited his strongest point when he talked about the preparation of terrorist acts, which is covered by the Bill. Speaking for myself, I would be prepared to contemplate British courts having jurisdiction over someone who came here if they were guilty of preparing to carry out a terrorist activity elsewhere. I hope that, before Report, he will try to think what the arguments are for extending that to the encouragement of terrorism, with all the arguments that we had about it yesterday, or to attendance at training places, given that he has said today that any kind of innocent attendance at a training centre is a loophole in the law that cannot be conceded. So a humanitarian worker is guilty of a criminal offence unless he leaves immediately when he suspects that some men are coming in from the woods in the evening and training somewhere on the edge of the village. Extending the proposal to those sorts of offence in the whole of part 1 makes clause 17 ridiculous and will impose all kinds of diplomatic and political problems for the Attorney-General and other Ministers as soon as other Governments realise that they can pursue their enemies here and try to get them arrested.

Paul Goggins: I know from the right hon. and learned Gentleman's earlier comments, which he now reinforces, that he has serious reservations about the range of offences covered by clause 17. I do not share his view that some bits of terrorism are more important or serious than others. If anyone participates at whatever level in either preparing for or carrying out an act of terror that results in the loss of innocent lives, that is a serious role and it needs to be covered by the Bill. Of course the court will take a decision about the appropriate penalty in the given circumstances of the case. I do not agree with him that some offences should be excluded and others included. The range of offences that we have included is fair.

The right hon. and learned Gentleman and my hon. Friend the Member for Islington, North (Jeremy Corbyn) referred to evidence. Anyone who is

[Paul Goggins]

prosecuted in this country for an offence is prosecuted only if sufficient evidence can be adduced in court to mount such a prosecution. Cases cannot be spurious: there must be proper and serious evidence. Clearly, if an offence that is caught by the provision is committed abroad, the evidence to prosecute here must come from abroad. However, of course, the evidence must fit our rules of evidence. If a case is tried in a UK court, the UK rules of evidence apply even though the evidence may have come from another country. The provision is not unusual. It applies to sections 62, 63 and 66 of the Terrorism Act 2000. So this is not a new power; it already exists. Clearly, we must apply the same rules of evidence as those that apply normally in our courts, even though the evidence may have come from another country because that is where the act was carried out.

The hon. Member for Buckingham (John Bercow) and my hon. Friend the Member for Bishop Auckland (Helen Goodman) asked about the way in which the Bill will interact with the Immigration, Asylum and Nationality Bill. Although they are two separate measures, I can appreciate how they interconnect. The Immigration, Asylum and Nationality Bill will allow people to be excluded on the basis of acts carried out overseas, but people who come here as asylum seekers may be prosecuted under this Bill if they have committed an offence under it. Such people may be prosecuted, but whether they could be excluded would be another matter because of our obligations in such circumstances.

Mr. Geoffrey Cox (Torridge and West Devon) (Con): Does that not mean that the very reason why someone might be seeking refuge in this country could be the basis on which he is prosecuted when he arrives here seeking asylum? As my hon. Friend the Member for Beaconsfield (Mr. Grieve) said, the measure is dangerous nonsense.

Paul Goggins: What the hon. Gentleman says is true. People who come here to seek asylum who have carried out terrorist acts may be prosecuted in a court in this country if there is sufficient evidence. However, it is equally true that under our international obligations, such people could not be excluded if there was a threat that their lives could be taken if they were returned to their country of origin. The two processes are not contradictory. People who apply for asylum may receive it, but they cannot be excluded if there would be any risk to their life if they were returned to their country of origin.

Mr. Denham: Does not my hon. Friend realise that the provision could cover people who had not taken part in any terrorist activity at all in the other country, but had glorified terrorism, which might not even have been an offence in that country? If such people came here as asylum seekers, however, they would be guilty of an offence and thus face seven years in jail. It is ludicrous to jail people in this country for doing something in another country that is not an offence there, but the Bill makes that possible.

Paul Goggins: I do not dispute what my right hon. Friend says—he explains the situation clearly. A person who was in this country and had committed an offence by glorifying acts of terror could be caught under the Bill due to the international obligations that are being put into effect. That is a proportionate and reasonable response to the threat of terrorism that exists not just in this country, but in many countries throughout the world. We need a proper response to that terrorism.

John Bercow: I am genuinely astonished by the Minister's response to the right hon. Member for Southampton, Itchen (Mr. Denham). He agreed with the thrust of the description of the position that the right hon. Gentleman pithily gave, but then dissented from the right hon. Gentleman's verdict on that description. It is extraordinary that someone should be incarcerated here for something that is not illegal in the other country. I politely put it to the hon. Gentleman, who has served with distinction as a prisons Minister, that there are great pressures on the Prison Service, but we are not a prison service for the world.

Paul Goggins: I am grateful to the hon. Gentleman for his comment. I was giving an honest response to my right hon. Friend the Member for Southampton, Itchen, but it might well be that there is still disagreement between us. I take people who glorify and encourage acts of terror that result in the loss of people's lives—in whatever country they are, whatever their nationality and whatever their origin—very seriously. The Bill puts in place powers to enable us to deal with that not just here, but internationally. It gives effect to the obligations to which we have signed up through the various conventions to which I referred.

Ms Keeble: May I flag up the opposite position to that put forward by other hon. Members? It is clear from several decisions of appeal tribunals that some people who apply for asylum here have been involved in activities that would rightly be considered to be offences under the Bill. Most of us would accept that the behaviour of some of those people has been unacceptable, but their lives could be at risk if they were deported. We must ensure that there is justice on both sides of the equation.

4.45 pm

Paul Goggins: The balance is clear. We have obligations to people who may have been convicted of an offence but cannot be returned to their country because they may be subjected to torture or may lose their lives as a result of their return. These are serious obligations that we honour, and we intend to honour them in future.

There are clearly many hon. Members who wish to contribute to the debate. If they catch your eye, Sir Alan, I am sure that you will invite them to speak. I intend to resume my place.

Rob Marris: I ask the Minister to have another think about these matters. I understood him to say—perhaps I misunderstood him—that clause 17 is being introduced in part to comply with our international obligations under the Council of Europe convention on the prevention of terrorism, and similar obligations. That confuses me because in the explanatory notes to clause 1, it states:

"The offence has been introduced to implement the requirements of Article 5 of the Council of Europe Convention for the Prevention of Terrorism".

Clause 1 refers to the convention. Clause 17, as I read it, makes no reference to that convention and nor to the explanatory notes. I ask my hon. Friend to think again and either to explain tonight or at some other convenient juncture what it is in clause 17 that is needed for us as a country to comply with these international obligations.

Mr. Heath: We have had an interesting debate. I began by saying that I was moving a probing amendment. Goodness, we probed! The amendment has had the effect of probing a hornets' nest. We are now clear that what the Minister is proposing goes well beyond what is necessary to meet international obligations. It goes well beyond what some of us would see as a sensible extension of extraterritorial jurisdiction—I almost said extraterrestrial again, to please the right hon. and learned Member for Rushcliffe (Mr. Clarke)—in dealing effectively with those who commit or are to a serious extent planning terrorist offences abroad.

Points have been made about the difficulty of those who seek asylum in our country. It is right that if someone is a terrorist they should not be given asylum in the United Kingdom. The problem with the Bill is that it goes well beyond the convention definitions of terrorism and introduces offences in this country that would be unknown to any other jurisdiction. It extends the scope well beyond that which is reasonable to exclude people from asylum in this country on that basis. That worries me. People have to give a truthful answer when they are asked what their experiences are in their country of origin when they apply for asylum. They are required to give evidence that will then be used to prosecute them because they have encouraged someone or a group within their country, whose members they believe to be freedom fighters in the context of their country's circumstances but in British law will be termed a terrorist organisation. That poses real problems.

As I have said, the difficulty is still one of definition. It is a debate that we are still to have, unfortunately. When I listened to the Minister's response, including his truthful but extraordinary response to the right hon. Member for Southampton, Itchen (Mr. Denham), I was convinced that we could not leave the issue to Report. We need to tell Ministers that they need to tighten these definitions considerably if we are to agree to them at a later stage in our consideration of the Bill.

On behalf of my right hon. and hon. Friends, I still maintain the position that there is a possibility of finding an extraterritorial jurisdiction that is based on clear definitions that meets our commitments by treaty that we would be happy to support. What we have heard from the Minister this evening suggests that we are a long way from that. On that basis, I think that we need to test the opinion of the Committee.

Question put, That the amendment be made:—

The Committee divided: Ayes 211, Noes 303.

Division No. 78] **[4.50 pm**

AYES

Ainsworth, Mr. Peter
Alexander, Danny
Amess, Mr. David
Arbuthnot, rh Mr. James
Bacon, Mr. Richard
Baker, Norman
Baldry, Tony
Barker, Gregory
Baron, Mr. John
Barrett, John
Beith, rh Mr. Alan
Bellingham, Mr. Henry
Benyon, Mr. Richard
Bercow, John
Binley, Mr. Brian
Blunt, Mr. Crispin
Boswell, Mr. Tim
Bottomley, Peter
Brady, Mr. Graham
Brake, Tom
Brazier, Mr. Julian
Breed, Mr. Colin
Brokenshire, James
Brooke, Annette
Browne, Mr. Jeremy
Browning, Angela
Burrowes, Mr. David
Burstow, Mr. Paul
Burt, Alistair
Burt, Lorely
Butterfill, Sir John
Cable, Dr. Vincent
Carmichael, Mr. Alistair
Carswell, Mr. Douglas
Cash, Mr. William
Chope, Mr. Christopher
Clappison, Mr. James
Clark, Greg
Clarke, rh Mr. Kenneth
Clifton-Brown, Mr. Geoffrey
Conway, Derek
Corbyn, Jeremy
Cormack, Sir Patrick
Cox, Mr. Geoffrey
Crabb, Mr. Stephen
Davey, Mr. Edward
Davies, David T.C. *(Monmouth)*
Davies, Philip
Davies, Mr. Quentin
Djanogly, Mr. Jonathan
Dodds, Mr. Nigel
Dorries, Mrs. Nadine
Duddridge, James
Duncan Smith, rh Mr. Iain
Dunne, Mr. Philip
Evennett, Mr. David
Fabricant, Michael
Fallon, Mr. Michael
Featherstone, Lynne
Field, Mr. Mark
Foster, Mr. Don
Francois, Mr. Mark
Gale, Mr. Roger
Garnier, Mr. Edward
Gauke, Mr. David
George, Andrew
Gillan, Mrs. Cheryl
Goldsworthy, Julia
Goodman, Mr. Paul
Goodwill, Mr. Robert
Gove, Michael
Gray, Mr. James
Grayling, Chris
Green, Damian
Greening, Justine
Grieve, Mr. Dominic
Hammond, Mr. Philip
Hammond, Stephen
Hancock, Mr. Mike
Hands, Mr. Greg
Harper, Mr. Mark
Harris, Dr. Evan
Harvey, Nick
Hayes, Mr. John
Heald, Mr. Oliver
Heath, Mr. David
Hemming, John
Hendry, Charles
Herbert, Nick
Hoban, Mr. Mark
Hogg, rh Mr. Douglas
Hollobone, Mr. Philip
Holloway, Mr. Adam
Holmes, Paul
Horam, Mr. John
Horwood, Martin
Hosie, Stewart
Howarth, David
Howarth, Mr. Gerald
Hughes, Simon
Huhne, Chris
Hunt, Mr. Jeremy
Hurd, Mr. Nick
Jack, rh Mr. Michael
Jackson, Glenda
Johnson, Mr. Boris
Jones, Mr. David
Jones, Lynne
Kawczynski, Daniel
Keetch, Mr. Paul
Kennedy, rh Mr. Charles
Kirkbride, Miss Julie
Kramer, Susan
Laing, Mrs. Eleanor
Lait, Mrs. Jacqui
Lamb, Norman
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Laws, Mr. David
Leech, Mr. John
Leigh, Mr. Edward
Letwin, rh Mr. Oliver
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Lilley, rh Mr. Peter
Loughton, Tim
Luff, Peter
Maclean, rh David
MacNeil, Mr. Angus
Main, Anne
Maples, Mr. John
Marshall-Andrews, Mr. Robert
May, rh Mrs. Theresa
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Mercer, Patrick
Miller, Mrs. Maria
Mitchell, Mr. Andrew
Moore, Mr. Michael
Moss, Mr. Malcolm
Murrison, Dr. Andrew
Newmark, Mr. Brooks
O'Brien, Mr. Stephen
Öpik, Lembit
Osborne, Mr. George
Ottaway, Richard
Paice, Mr. James
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Pickles, Mr. Eric
Prisk, Mr. Mark
Pritchard, Mark
Pugh, Dr. John
Randall, Mr. John
Reid, Mr. Alan
Rifkind, rh Sir Malcolm
Robathan, Mr. Andrew
Robertson, Hugh
Robertson, Mr. Laurence
Robinson, Mrs. Iris
Robinson, Mr. Peter

Rosindell, Andrew
Rowen, Paul
Russell, Bob
Scott, Mr. Lee
Shapps, Grant
Shepherd, Mr. Richard
Skinner, Mr. Dennis
Spelman, Mrs. Caroline
Spicer, Sir Michael
Spink, Bob
Spring, Mr. Richard
Stanley, rh Sir John
Stuart, Mr. Graham
Stunell, Andrew
Swayne, Mr. Desmond
Swinson, Jo
Swire, Mr. Hugo
Syms, Mr. Robert
Taylor, Mr. Ian
Taylor, Matthew
Taylor, Dr. Richard
Teather, Sarah
Thurso, John
Turner, Mr. Andrew
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Vara, Mr. Shailesh
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Wareing, Mr. Robert N.
Waterson, Mr. Nigel
Weir, Mr. Mike
Wiggin, Bill
Williams, Hywel
Williams, Mark
Williams, Mr. Roger
Williams, Stephen
Willott, Jenny
Wilson, Mr. Rob
Winterton, Ann
Winterton, Sir Nicholas
Wishart, Pete
Wright, Jeremy
Yeo, Mr. Tim
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Ayes:
Sir Robert Smith and Andrew Selous

NOES

Ainger, Nick
Ainsworth, rh Mr. Bob
Alexander, rh Mr. Douglas
Allen, Mr. Graham
Anderson, Mr. David
Anderson, Janet
Armstrong, rh Hilary
Atkins, Charlotte
Austin, Mr. Ian
Austin, John
Bailey, Mr. Adrian
Baird, Vera
Balls, Ed
Banks, Gordon
Barlow, Ms Celia
Barron, rh Mr. Kevin
Battle, rh John
Beckett, rh Margaret
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr. Joe
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blackman-Woods
Blizzard, Mr. Bob
Blunkett, rh Mr. D
Borrow, Mr. David S
Bradshaw, Mr. Ben
Brennan, Kevin
Brown, rh Mr. Gordon
Brown, Lyn
Brown, rh Mr. Nicholas
Browne, rh Mr. Des
Bryant, Chris
Buck, Ms Karen
Burgon, Colin
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Caborn, rh Mr. Richard
Cairns, David
Campbell, Mr. Alan
Campbell, Mr. Ronnie
Caton, Mr. Martin
Challen, Colin
Chapman, Ben
Chaytor, Mr. David
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Clelland, Mr. David
Clwyd, rh Ann
Coaker, Mr. Vernon
Coffey, Ann
Cohen, Harry
Connarty, Michael
Cooper, Rosie
Cooper, Yvette
Crausby, Mr. David
Creagh, Mary
Cruddas, Jon
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
Curtis-Thomas, Mrs. Claire
Darling, rh Mr. Alistair
David, Mr. Wayne
Davidson, Mr. Ian
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dhanda, Mr. Parmjit
Dismore, Mr. Andrew
Dobbin, Jim
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Engel, Natascha
Ennis, Jeff
Farrelly, Paul
Field, rh Mr. Frank
Fisher, Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Flynn, Paul
Follett, Barbara
Foster, Mr. Michael *(Worcester)*
Foster, Michael Jabez *(Hastings and Rye)*
Gapes, Mike
Gardiner, Barry
George, rh Mr. Bruce
Gibson, Dr. Ian
Gilroy, Linda
Godsiff, Mr. Roger
Goggins, Paul
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Hain, rh Mr. Peter
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. David
Hanson, Mr. David
Harman, rh Ms Harriet
Harris, Mr. Tom
Havard, Mr. Dai
Healey, John
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hesford, Stephen
Hewitt, rh Ms Patricia
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hoey, Kate
Hood, Mr. Jimmy
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Howarth, rh Mr. George
Howells, Dr. Kim
Hoyle, Mr. Lindsay
Humble, Mrs. Joan
Hutton, rh Mr. John
Iddon, Dr. Brian
Ingram, rh Mr. Adam
Irranca-Davies, Huw
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Mr. Martyn
Jowell, rh Tessa
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Knight, Jim
Kumar, Dr. Ashok
Lammy, Mr. David
Laxton, Mr. Bob
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Linton, Martin
Love, Mr. Andrew
Lucas, Ian
MacDougall, Mr. John
Mackinlay, Andrew
MacShane, rh Mr. Denis
Mactaggart, Fiona
Mahmood, Mr. Khalid
Malik, Mr. Shahid
Mallaber, Judy
Mann, John
Marsden, Mr. Gordon
Marshall, Mr. David
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCafferty, Chris
McCarthy, Kerry
McCarthy-Fry, Sarah
McDonagh, Siobhain
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McNulty, Mr. Tony
Meacher, rh Mr. Michael
Merron, Gillian
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, rh Mr. David
Miliband, Edward
Miller, Andrew
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moran, Margaret
Morden, Jessica
Morgan, Julie
Morley, Mr. Elliot
Mountford, Kali
Mudie, Mr. George
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Denis
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Naysmith, Dr. Doug
Norris, Dan
O'Brien, Mr. Mike
O'Hara, Mr. Edward
Olner, Mr. Bill
Osborne, Sandra
Owen, Albert
Palmer, Dr. Nick
Pearson, Ian
Plaskitt, Mr. James
Pope, Mr. Greg
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Mr. Ken
Purnell, James
Rammell, Bill
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Reid, rh John
Riordan, Mrs. Linda
Robertson, John
Robinson, Mr. Geoffrey
Rooney, Mr. Terry
Roy, Mr. Frank
Ruane, Chris
Ruddock, Joan
Russell, Christine
Ryan, Joan

Salter, Martin
Seabeck, Alison
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Simon, Mr. Siôn
Singh, Mr. Marsha
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, Geraldine
Smith, rh Jacqui
Snelgrove, Anne
Soulsby, Sir Peter
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Straw, rh Mr. Jack
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari
Taylor, David
Thomas, Mr. Gareth
Thornberry, Emily
Timms, Mr. Stephen
Tipping, Paddy
Todd, Mr. Mark
Touhig, Mr. Don
Trickett, Jon
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Ussher, Kitty
Vaz, Keith
Walley, Joan
Waltho, Lynda
Ward, Claire
Watson, Mr. Tom
Watts, Mr. Dave
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Williams, Mrs. Betty
Wills, Mr. Michael
Winnick, Mr. David
Winterton, Ms Rosie
Woodward, Mr. Shaun
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek

Tellers for the Noes:
Tony Cunningham and
Mr. Ian Cawsey

Question accordingly negatived.

THE CHAIRMAN, *being of the opinion that the principle of the clause and any matters arising thereon had been adequately discussed in the course of the debate on the amendments proposed thereto, put forthwith the Question, pursuant to Standing Order No. 68,* That the clause stand part of the Bill.

Question agreed to.

Clause 17 ordered to stand part of the Bill.

Clause 18

LIABILITY OF COMPANY DIRECTORS ETC.

Mr. Grieve: I beg to move amendment No. 104, in clause 18, page 16, line 36, leave out from 'of' to end of line 37.

The First Deputy Chairman of Ways and Means (Mrs. Sylvia Heal): With this it will be convenient to discuss amendment No. 105, in clause 18, page 17, line 1, leave out from 'of' to 'a' in line 2.

Mr. Grieve: Clause 18 extends a liability for offences under the Bill to bodies corporate. Where an offence by a body corporate is committed, the liability will also lie with company directors and other officers. Under subsection (1), a

"director, manager, secretary or other similar officer of the body corporate, or . . . a person who was purporting to act in any such capacity"

will be guilty of an offence committed by a body corporate. Such an offence can be committed because the person consented or connived in it, or because it was attributable to neglect on his part.

That is a fairly remarkable concept. I am familiar with the form of words, because my experience of practising in health and safety at work tells me that it is lifted directly from that field. That may be appropriate when one is trying to achieve a degree of regulation, and when the maximum penalty is a fine, but it is a rather novel concept that a person should be sent to prison for life for having been neglectful in allowing his company to commit an offence.

The provision could extend in directions that I suspect the Minister may not have intended. I am grateful to the hon. Member for Wolverhampton, South-West (Rob Marris) for giving me an example a moment ago. He suggested that if a licence was applied for to collect money in the street on behalf of an organisation that was acting unlawfully under the Bill, because it was raising money for terrorism, the mayor and the officers of the corporation who granted that licence would be liable to lengthy terms of imprisonment for failing to carry out checks on the organisation concerned. I cannot believe that the Government genuinely intend that. Yet again, we have an example of a provision that has been drafted astonishingly broadly and is capable of having consequences that are not only unintended but manifestly unjust.

The amendment would allow for the liability of company directors and other officers in cases of consent or connivance but remove it in the case of neglect. I hope that the Under-Secretary can accept it.

Mr. Michael Fallon (Sevenoaks) (Con): I support the amendment. As my hon. Friend the Member for Beaconsfield (Mr. Grieve) pointed out, the clause has a wide application. It covers part 1 and is therefore extremely broad in scope. I believe that it goes too far, especially in its inclusion of neglect, which the amendment would rightly exclude.

Neglect is not the opposite of connivance or consent and does not complete every other possibility, but it imposes a substantial onus on a director, member, officer and so on to be absolutely sure that nothing he does could prevent the dissemination of a relevant publication.

Perhaps my hon. Friend could advise me—at no charge—whether the term "body corporate" in the provision goes wider than a private company or, indeed, the public corporation that he mentioned. It appears to me that the trustees of a library, the secretary of a research institute and even the treasurer of a very respectable mosque might be caught if they had not taken every conceivable precaution to ensure that they could not be charged with neglect in the undertaking of their functions.

The clause applies to a large part of the Bill and its drafting is far too wide. The least we can do is remove the provision for neglect.

Peter Bottomley (Worthing, West) (Con): When I was a trustee and member of the board at Christian Aid in the late 1970s, complaints were made that information that we provided about the conditions of people in South Africa in some way supported the violence that was said to be associated with the ANC. I fear that, under the Bill as drafted, my former colleagues and I could have been accused—we might not have been

[Peter Bottomley]

convicted—of offences for which the clause provides. I should like an assurance from the Under-Secretary that that is not the case.

Paul Goggins: I wanted to intervene in the speech of the hon. Member for Beaconsfield (Mr. Grieve). Perhaps there have been so many interventions this afternoon that I simply did not pick the right moment.

The hon. Gentleman may have a point. I want to take the provision away and consider it more closely. I will return to it on Report and provide greater clarity and perhaps even some different wording. If the hon. Gentleman would be kind enough to agree to withdraw the amendment, he has my assurance that we will examine the provision carefully.

Mr. Grieve: I am grateful to the Under-Secretary for his response. The clause needs attention. The Bill cannot leave the House with the clause in that condition. It would have unjust consequences, including the bizarre consequence that a director of a company could be convicted on a lesser test than other people for the same offences. That is clearly crazy.

I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause 18 ordered to stand part of the Bill.

Clause 19 ordered to stand part of the Bill.

Clause 20

INTERPRETATION OF PART 1

5.15 pm

Richard Burden: I beg to move amendment No. 33, in clause 20, page 17, leave out lines 31 to 33.

The First Deputy Chairman: With this it will be convenient to discuss the following amendments:

No. 69, in clause 20, page 17, line 33, at end add

'but in respect of Clauses 1, 2, 3, 4 and 17 such an action includes any action that is intended to cause death or serious bodily harm to civilians or non-combatants, when the purpose of such act, by its nature or context, is to intimidate the population, or to compel a government or an international organisation to do or to abstain from doing any act.'.

No. 61, in clause 33, page 32, line 19, at end add

'save and except where such government or international government organisation has, at the time of such use or threat, directly or indirectly been persistently responsible for acts that are in breach of the Universal Declaration of Human Rights.'.

No. 75, in clause 33, page 32, line 19, at end insert—

'( ) for the purposes of this Act actions to be done outside the United Kingdom not involving the citizens of the United Kingdom or their property or the property of the government of the United Kingdom or of corporations registered in the United Kingdom or of businesses having an office in the United Kingdom and but for this subsection to be treated as acts of terrorism or Convention offences shall only be so treated if such actions are done with the intent of causing death or injury to persons who are not members of the armed or the security forces of the country where the acts are to be committed or are otherwise engaged in the administration of that country'.

No. 84, in clause 33, page 32, line 19, at end insert—

'( ) In section 1(2)(b) of the Terrorism Act 2000, leave out "serious damage to property" and insert "extensive destruction to property likely to endanger human life or result in major economic loss.".'.

Richard Burden: Amendment No. 33 stands in my name and that of my hon. Friend the Member for Erith and Thamesmead (John Austin). I would also like to say a few words about the other amendments in the group. Amendment No. 33 covers an issue that I raised on Second Reading. I refer hon. Members to paragraph 19 on pages 4 and 5 of the explanatory notes to the Bill, which makes it clear that a person would be regarded as committing a terrorist act if they did something

"for the benefit of a proscribed organisation."

I shall repeat the example that I gave on Second Reading. If an hon. Member, either directly or through intermediaries, urged Hamas to desist from its military and terrorist activities and to get involved instead in the democratic process in the west bank and Gaza—this is not a theoretical point; these arguments are taking place in Hamas at the moment—I would suggest that that activity would be for the benefit of a proscribed organisation. Hamas is definitely a terrorist organisation, and it is definitely proscribed under existing legislation. My reading of the Bill as it stands is that such an act would become unlawful. That is ludicrous.

When I put this to my right hon. Friend the Home Secretary on Second Reading, he was very definite in his response. He said:

"First, it would be to the benefit of that organisation, and secondly, it would not be criminal."—[*Official Report*, 26 October 2005; Vol. 438, c. 339.]

I appreciate his giving me that assurance, but I still do see that in the Bill. It is what is in the Bill that is important, so I would appreciate it if he would tell me what he can do to clarify this matter, perhaps on Report.

The main question that we are dealing with in regard to this group of amendments is the definition of terrorism. Yesterday, I was struck by the speech made by my hon. Friend the Member for Nottingham, South (Alan Simpson), when he read out a passage from "Homage to Catalonia". That book also had a major impact on my political thinking, particularly when I became a student in the early 70s. Within a month of my going to York university, Salvador Allende's Government in Chile was overthrown by the Pinochet regime. Throughout the 70s, while I was at university, I found out a lot about what was going on in Chile. Exiled Chilean students came to my university, and I got to know them and learned a lot from them about what people were going through in Chile at that time. People were being herded into football stadiums; there were death squads. Some of those students said that they wanted to take up arms against the fascist regime, but I could not regard them as terrorists. However, under the definition in the Bill, they would be.

These amendments have to be considered in the context of clause 1. It would have been wrong if those people who opposed the Pinochet regime in Chile had murdered civilians. That would have been wrong even then. Even if they had urged such action, I would certainly have argued with them and disagreed with

them, but whether I would have wanted to criminalise them is another matter. However, clause 1 as it stands would criminalise them. If we are going to have such provisions in clause 1, it is essential that, when we define terrorism, we draw a distinction between actions taken against civilians and non-combatants—which are not justifiable—and actions taken against the forces of a regime similar to the Pinochet regime. That seems to be the crux of the amendment of my right hon. Friend the Member for Southampton, Itchen (Mr. Denham).

One of the criticisms of the amendment is that it would not regard attacks on British troops as terrorist, which is true. In my view, however, anybody in this country who urged attacks on British troops would be guilty of at least incitement and probably treason. The fact that someone is attacking troops does not of itself make the attack terrorism. It might make it unjustifiable, abhorrent or treasonable, but it does not necessarily make it terrorism. Let us remember that every regime in the world that has faced some kind of insurgency—the South African one springs to mind—always describes forces that take action against it, if they are not regular forces, as terrorist. While we might want to tidy up provisions to deal with matters regarding British troops, we must not succour to oppressive regimes who want to describe people as terrorists not because of what they do, not because they target civilians and not because they are involved in genocide, but simply because they oppose them. Such a tightening of the definition of terrorism is the purpose of this group of amendments.

I hope that my right hon. Friend will be able to reassure us on the matter later so that we can discuss such issues in more detail on Report.

Mr. Douglas Hogg (Sleaford and North Hykeham) (Con): I wish briefly to support the remarks made by the hon. Member for Birmingham, Northfield (Richard Burden) and to speak briefly to my amendment No. 75 in the same grouping.

As the hon. Member for Birmingham, Northfield rightly remarked, clause 20 really applies to the entirety of the Bill as it contains the definition of terrorism. As the hon. and learned Member for Medway (Mr. Marshall-Andrews) reminded us yesterday, it applies particularly to clause 1, which he rightly described as the most offensive part of the Bill, and I agree with him. The question of what is terrorism brings us face to face with the most difficult decision: what is a freedom fighter, and who is a terrorist? It is extraordinarily difficult. At the moment, the Bill applies equally to those whom this House would regard as freedom fighters and those whom the House would regard as terrorists. The definition makes absolutely no distinction between the two. The question that we must ask is whether that is what we really want to do.

The question can be judged historically. If we look back to the struggle of the Fenians in Ireland in the 19th century, was all of their violence improper, albeit that civilian casualties were involved? What about the struggle of the African National Congress in South Africa? Will we all say that its violence was improper? What about the struggle in Cyprus by the EOKA, the struggle in India against the British Raj, or the struggle against the British in Africa?

John Bercow: Or the struggle in Darfur.

Mr. Hogg: Or, as my hon. Friend says from a sedentary position, the struggle in Darfur.

All of us must ask ourselves whether we are prepared to assert that in all circumstances violence is wrong when it is designed to remove an oppressive regime. I, for one, am not prepared to say that. What do I say about Mugabe? It would surely be right to remove Mugabe by force if necessary because his is an oppressive regime. Turning to the point frequently made by my hon. Friend the Member for Buckingham (John Bercow), is that not also true of Burma? One must therefore conclude that there are regimes where there is no democracy and where the only way forward is by force.

Mr. Edward Garnier (Harborough) (Con): Will my right hon. and learned Friend give way?

Mr. Hogg: May I finish this point, and then I will of course give way to my hon. and learned Friend?

I identified a curious paradox yesterday—we were told by a Labour Member that it was entirely right for the Government to seek to displace Saddam Hussein by force in order to achieve regime change, but if we urged civilians to do that, they would be committing a criminal offence covered by this Bill. Even more to the point, in 1990, when I was in the Foreign Office, we urged people to rise up and strike down Saddam Hussein. All of us who did that would have been caught by the Bill. I now give way to my hon. and learned Friend.

Mr. Garnier: I am most grateful to my right hon. and learned Friend. Not for the first time, he has just made the very point that I was going to ask him to make.

Mr. Hogg: We must decide how to proceed. We can leave the Bill as it is—I shall return to that possibility in a moment—or we can opt for a whitelist: a list of countries where actions of force will always be treated as terrorism. That would be a political decision, I think that it would be an improper decision, and it would certainly be impossible to justify against a background of law.

We can only ask ourselves what is the real vice against which we are striking. I think it is the deliberate targeting of civilians. My amendment, like those tabled by the hon. Member for Birmingham, Northfield and the right hon. Member for Southampton, Itchen (Mr. Denham), is designed to restrict the definition of terrorism for these purposes—that is, overseas terrorism—to actions against civilians. Our drafting may be imperfect, but we are currently dealing only with concepts expressed in statutory language.

Ministers may tell us that we need not worry because the Attorney-General is the filter and there can be no prosecutions in respect of this class of terrorism without his approval. The hon. and learned Member for Medway dealt with that rather effectively, but I want to make a further point. The decision on whether or not

[Mr. Hogg]

to prosecute over terrorism overseas is not a legal decision; it is a political decision. In effect, it creates the whitelist. In this context, the Attorney-General is a Minister and his decisions will reflect not a legal but a political judgment. I do not believe that we should legislate for prosecutions only to follow a political judgment. I hope that the Home Secretary and his colleagues will think again about whether we can somehow restrict the definition of terrorism so that we strike only at that which is deeply offensive and do not find ourselves outlawing the freedom fighter or those who wish to support him—as many right hon. and hon. Members have done in the past, and will doubtless do again.

Mr. Denham: What I shall say about my amendment, No. 69, will follow comments that have already been made and will, I hope, begin to show the possibility of a way of dealing with the problems that we confront—the type of civilian murder promoted by al-Qaeda, and the type of international obligations that we need to introduce in response to events such as Beslan—while avoiding other problems, which have been well highlighted.

One of the more disconcerting aspects of the debate so far has, I am afraid, been the tendency of Ministers not to acknowledge that there is a problem with the definition. I hope that at the end of this brief debate, my right hon. Friend the Home Secretary will at least acknowledge that there is a problem, which needs to be explored between now and Report.

My amendments may not be perfect, but nor is the Bill. Attention has already been drawn to the anomaly of it being legal to invade Iraq to get rid of Saddam Hussein, but illegal to support the Iraqi people if they acted in the same way. I want to discuss the problem of definitions more narrowly. There is nothing magic about the definition in the Terrorism Act 2000. It is not based on international law. Other definitions are significantly different. The European Union Council framework decision, for example, lists much the same offences, but involves a much higher threshold. It refers to "seriously intimidating a population", to

"unduly compelling a Government . . . to perform or abstain"

from certain acts, and to

"seriously destabilising or destroying the fundamental political, constitutional, economic or social structures of a country or international organisation".

Those are high thresholds and they do not exist in our own national legislation. It is true that we have to ratify the Council of Europe convention, but it does not define terrorism. We are free to define terrorism as we want, as long as we include certain specific offences, so there is no single agreed definition of terrorism. I am looking for a wording that we can apply to the new situation—the international spread of terrorism aimed directly at the mass murder of civilians.

5.30 pm

Dr. Phyllis Starkey (Milton Keynes, South-West) (Lab): My right hon. Friend refers to a number of international documents and conventions. Should we not also consider the Geneva conventions—the so-called rules of law—which clearly set out that nation states must not deliberately target or harm civilians? If people exercising their legitimate right to resist an occupying force were also bound by those conventions, they would be permitted to attack soldiers in uniform but expressly forbidden from attacking civilians, whether armed or not.

Mr. Denham: I will touch on that issue, which relates to the report from which I took the wording of my amendment, in a moment. That report was by the high-level working group established by the Secretary-General of the United Nations in preparation for the 60th anniversary world summit. The group addressed the problem of defining terrorism legally, politically and specifically. It concluded—I am paraphrasing, but I hope fairly—that actions of states such as war, occupation and genocide are already covered by international law in one way or another. Attempts to agree international laws on terrorism, excluding specific offences, have so far always foundered on what has been described as the freedom fighter problem—one man's terrorist is another's freedom fighter. In the past, that problem most obviously preoccupied the UN in respect of the Palestine Liberation Organisation, the Israeli occupation since the '67 war, and so on.

The high-level working group made a very persuasive point. It said that there should be some international norms, and it approached the issue not from the political basis of the action that might be carried out by civilian or non-state combatants, but according to the type of action that is acceptable. It said that it does not matter what the cause is—deliberately targeting civilians is wrong. That is the basis on which it produced the wording that I have used in my amendment.

There are two reasons to commend this definition to the House today. First, although it is not an intergovernmental agreement, it did come from a legitimate international process set up under the auspices of the UN. Secondly, it deals with the problem that this House has been wrestling with for the past few days, and for that reason it is to be greatly preferred, in dealing with the offences under consideration, to the Government's definition. Any Member of this House should be prepared to argue with their constituents that deliberately setting out to kill civilians and non-combatants—be it in Burma, Chechnya, Kashmir, Palestine or any future trouble spot—is wrong, no matter what the history, grievance or repression. That is why the wording of my amendment has been drawn directly from the working group report.

I acknowledge that my amendment is not perfect. First, it should certainly apply to clause 21—the proscription clause—which was discussed earlier. Secondly, a number of colleagues have raised with me the fair criticism that we cannot appear to endorse attacks by terrorist groups on British troops, or attacks on those of our allies with whom British troops may be serving, for example, under UN mandate or under the auspices of NATO, as in the Kosovan war. That is an issue, but it is perfectly clear—I have examined it in some detail—that there are a number of ways in which we could bring within the terms of this Bill such attacks on British troops and other troops serving the UN.

It is true that some extremely unpleasant—and, indeed, evil—acts that might take place around the world would not be covered by the definition in my

amendment. We should recognise that openly as a problem, but the debate has shown that a much bigger problem exists with the way terrorism is defined for the purposes of clauses 1 and 17. That definition is so broad that it encompasses every act of political violence, even the most trivial.

I see no way to avoid the truth that the House will have to come to a compromise in this matter. We must find a compromise between the all-embracing definition, which throws up huge problems, and a definition that excludes some matters that all hon. Members doubtless oppose.

Mr. Cash: I am very interested in the right hon. Gentleman's argument. Would he consider excluding any actions in time of war or civil war?

Mr. Denham: I shall have to reflect on that, and perhaps we will be able to return to it when the Bill comes back on Report. I do not think that there are any circumstances in which deliberately targeting civilians or non-state combatants is a good idea, although it clearly happens.

In conclusion, the Bill is needed because a new situation has arisen in the world. Terrorism is not new, but the type of terrorism associated with al-Qaeda and the tactics that are used around the world are new. If that were not the case, we would not be debating the Bill. The definition of terrorism that we use should be focused as closely as possible on the new problem that we are trying to tackle. My amendment is not perfect, but it begins to show the way forward. I hope that it will receive a positive response from the Home Secretary and that we can explore it in more detail next week.

Peter Bottomley: I shall make some brief statements about this matter. I shall not present an argument, as we must cover as much ground as possible in the remaining 25 minutes or so.

First, whatever the final version of the Bill says, I hope that it will not prevent people from meeting those involved in terrorism. For example, Scandinavian intermediaries have often brought groups together, and that has led to settlements. It must be possible for people to make contact, as happened with the Government and the IRA. Negotiations did not take place, but contact was made.

Secondly, we must be careful about how people can interpret what is going on. I once had to take legal action against the *Sunday Express*. I had appeared in the same hall as a person believed to be a leading member of the IRA, and that newspaper claimed that in some way I was almost guilty of treason. I felt that I was confronting the person involved, but others preferred a different interpretation. That question of interpretation must be considered when the Bill returns on Report.

Thirdly—I do not want to make this contribution too personal, but I believe that my own experiences are relevant—in my time I have met SWAPO representatives in Namibia and PLO representatives and their associates on the west bank, and I have also had in my home a person who turned out to be a youth member of ZANU-PF. That person is now strongly opposed to Mugabe, but at the time Ian Smith was Prime Minister of Southern Rhodesia and it could have been argued that I was supporting people who wanted regime change. None of the people to whom I have referred was, as far as I knew, involved in violence, but people associated with the organisations to which they belonged certainly were.

Finally, I went on a human rights mission to El Salvador in 1978 to try to help delay the assassination of Oscar Romero. I met people clearly associated with opposition groups, at a time when that country's Government considered even Oscar Romero to be a terrorist, or nearly so. That much is clear, because that Government are correctly believed to have assassinated him.

Steve McCabe (Birmingham, Hall Green) (Lab): I want to comment briefly on amendment No. 69. I support this Bill and want it to go through, but I do not want to be placed in a position that means that, because I want legislation to tackle terrorists, I inadvertently make it more difficult to support people engaged in genuine resistance or liberation struggles. I do not want to find myself inadvertently strengthening brutal dictatorships that continue to murder their people and which find that our terrorist legislation makes it easier for them to do so.

Like other hon. Members, I believe that what we are asking for is abundantly clear. It is probable that all the amendments are imperfect, but our goal is to prevent the loophole that I have described. We must not be put in the position where our goal of trying to tackle terrorists means that we end up making it harder for genuine liberation movements to do what needs to be done. In no way do I support anyone who wants to maim, kill, engage in violence or target civilians. We are asking not be put into a position that we do not want to be in.

All that the Home Secretary needs to do tonight is to say loud and clear that he has heard us and that he will tackle the problem. There is no need for amendments to be pressed to votes, but there is a need for a total reassurance about something that affects supporters of the Bill throughout the House.

Mr. Carmichael: It is unfortunate that, because of the way in which our debate on the Bill is ordered, we have come to this debate at this stage. I think that the Minister would have had an easier time this afternoon if we had resolved on a proper definition of terrorism from the outset. I have to say to the Home Secretary that it is clearly now the settled will of the House that a definition must be properly placed on the face of the Bill, because what is there is less than adequate. I do not know whether amendment No. 69, tabled by the right hon. Member for Southampton, Itchen (Mr. Denham) is perfect. It probably is not—but it is certainly preferable to what is in the Bill, and if he is minded to press it to a vote, my hon. Friends and I will support him.

The question of a definition is complex; there is no getting away from that. Clearly any definition will relate to the way in which an organisation conducts itself, and others have already spoken about the distinction between attacks on civilian populations and attacks on a repressive army, police force or state security force.

The other element that has to be considered in establishing the full and proper context is the nature of the regime against which the struggle is taking place.

[Mr. Carmichael]

The regimes in Burma, Zimbabwe and Uzbekistan, for example, have been referred to repeatedly throughout the past couple of days of debate.

The right hon. and learned Member for Sleaford and North Hykeham (Mr. Hogg) said that such matters were often judged historically, and he is right. Indeed, the judgment taken historically is often very different from that which was made contemporaneously. The difficulty for the Home Secretary—and, indeed, for the Committee—is that we do not have that luxury. That is why it is important to get the best possible available working definition into the Bill. If that can be achieved, many of the reservations of my party about the workability of the Bill may well be answered.

Mr. Grieve: I agree with everything that the hon. Member for Orkney and Shetland (Mr. Carmichael) has just said. The right hon. Member for Southampton, Itchen (Mr. Denham) has done the Committee, and the House, a good service in tabling the amendment, and if he were to press it to a vote we would support it. It clearly goes a long way towards meeting the Committee's concerns. The definition may not be perfect, but because it centres on the idea of using violence against civilians and non-combatants to achieve an end, it goes to the heart of defining the sort of behaviour that we can universally deplore.

It is true that the use of force, even for legitimate ends, may lead to the unintended deaths of civilians, but one of the hallmarks of terrorism is without doubt the fact that it is usually aimed at civilians—soft targets—with the express purpose of creating terror and thereby bringing about change. I can think of no circumstance, not even in the midst of freedom fighting of the most legitimate kind, in which the targeting of civilians for that purpose can ever be justified.

Mr. Cash *rose—*

Mr. Grieve: I shall give way in a moment.

That is why I think that the definition in the amendment comes the closest of all those that have been attempted, including my own, to meeting the need.

John Bercow *rose—*

Mr. Grieve: I shall give way to my hon. Friend very briefly, because I am conscious that the Home Secretary wishes to speak.

John Bercow: I understand entirely the point that my hon. Friend has just made, and he is right to make it—but may I add that someone who calls himself a freedom fighter, but who nevertheless consciously targets civilians in pursuit of his noble cause, is not a freedom fighter? He may think that he is, but that is not the same thing.

Mr. Grieve: I agree entirely with my hon. Friend.

Mr. Cash: I simply offer this as a thought, with reference to my intervention on the right hon. Member for Southampton, Itchen (Mr. Denham). It seems to me that however desirable the intention may be, we could get into serious difficulties. I do not mean to be dogmatic, but on Report we must be careful not to collate these ideas in terms that would include war and civil war.

5.45 pm

Mr. Grieve: I appreciate my hon. Friend's point. The indiscriminate targeting of civilians, even in war, is to be deplored, although I accept it has been widely practised. Indeed, it was an allegation made against the British Government in the second world war—we have recently been remembering what happened in Dresden. It raises difficult issues and I acknowledge that my hon. Friend makes an important point.

I shall listen carefully to the Home Secretary, but this amendment is critical to whether the Bill passes on Third Reading at all. The expansion of the jurisdiction to a terrestrial level can be justified only if the foundations are correct. If they are not, so much of the Bill will collapse into pieces. Nothing would induce me to support a Bill that was in such a condition. I hope that the Home Secretary will respond positively.

I am conscious of the fact that the Committee stage will shortly be over. In view of the way in which matters have developed, we may need a longer time for Report than is proposed at present.

The Secretary of State for the Home Department (Mr. Charles Clarke): I understand the point made by the hon. Member for Beaconsfield (Mr. Grieve) about the timing of the debate on this group of amendments.

Amendment No. 33 would remove the reference to the definition in the Terrorism Act 2000 and leave acts of terrorism undefined for the purposes of the Bill. Amendment No. 69 was tabled by my right hon. Friend the Member for Southampton, Itchen (Mr. Denham) and would limit the definition applying to certain parts of the Bill to attacks on civilians. My right hon. Friend has also accepted that attacks on British forces need to be covered, as well as perhaps attacks on property that recklessly endanger human life.

Amendment No. 75 tries to achieve a similar aim by providing that acts outside the UK that do not involve British citizens or interests count as acts of terrorism or convention offences only if they are not done with the intent of causing the death or serious injury of foreign troops in a country. Amendment No. 61 provides that attacks on Governments and international organisations are not terrorism if those Governments or organisations have persistently been involved in breaches of human rights. Amendment No. 84 would change the definition of terrorism to remove the reference to "serious damage to property" and replace it with

"extensive destruction to property likely to endanger human life or result in major economic loss."

This is an important debate and I acknowledge the seriousness with which it has been addressed by hon. Members on both sides of the Committee to try to reach the correct conclusion. As I said to the Home Affairs Committee when I gave evidence on the Bill, there is good reason why the new offences that the Bill creates should be governed by our existing definition of terrorism, which Parliament has approved and which

has operated effectively, without some of the fears that have been expressed being realised, for five years. I wrote to the Chairman of the Committee following my evidence on this very issue and I pointed out that there is no agreed international definition of terrorism and that all the existing alternative definitions are unsatisfactory in some way. I cited the EU code, to which my right hon. Friend the Member for Southampton, Itchen referred, and the state of affairs of the current United Nations discussions to try to address the issue.

I need to be clear about this issue because of possible misunderstanding. I accept that it is a difficult issue and that there are problems with the definition in the Act. I accept and acknowledge that those problems exist. However, I also think that there are problems with the definition that my right hon. Friend offers us, although I mean no criticism by that. Therefore, it is important that we discuss precisely how to deal with the issue so that we may reach agreement on Report about how best to proceed.

Having acknowledged the difficult nature of the issue, I wish to make a couple of specific points. The whole terrorist/freedom fighter debate has been dominant for some time, but I must say—I know that no one has suggested it—that al-Qaeda is not in the same spirit of freedom fighting that many "terrorists" have claimed in the past. However, that does not absolve me from dealing with the problem that the hon. Member for Buckingham (John Bercow) mentioned about definition.

I wish to make a couple of points about the possible definition that we could reach. It has been suggested that only attacks that endanger life should be covered and that we should exclude attacks on property. I find that difficult and I remind the Committee that our existing definition includes only serious attacks on property and ask Members to recall the Provisional IRA's attacks on the City of London in the mid 1990s. To suggest that such acts were not terrorist attacks seems to be missing an important point. The simple "property or not" definition does not entirely work.

Mr. Denham: Although such an attack is clearly terrorist and would be defined as such in the 2000 Act, the point is that we are considering new laws that we never thought it necessary to introduce when we faced the PIRA attacks. That is why we need to look at the definition of terrorism that is appropriate to the new laws. My right hon. Friend is being very helpful, but I caution him that relying on retrospective events for the basis of the definition, when we did not think that these proposed laws were necessary at the time, is a rather dangerous line of argument.

Mr. Clarke: I understand that very real point, but if the 9/11 attacks had taken place when there was no one in the World Trade Centre or in the aeroplanes, the symbolism of the attack on property would have none the less been profound, as it would have been in an attack on the Pentagon or wherever it might be. I do not dispute my right hon. Friend's central point, which is that we need a different definition in the Bill than in other Bills. I understand that; his point is well made and I accept it for the purpose of the discussion. But simply to exclude property altogether raises certain questions that need to be addressed.

Another suggestion is that only attacks on civilians should constitute terrorism. Again, I understand that; it is a logical point. However, I have to put to the Committee that there are definitional problems. Do the police count as civilians? What about off-duty soldiers who happen to be wearing their uniform? What about British soldiers currently serving in other parts of the world? I acknowledge that I do not solve those problems merely by referring to them, but they are real and they need seriously to be addressed.

Mr. Cash: Does the Home Secretary take my point about the problem that arises in the context of civil war? For example, there is the Spanish civil war on the one hand or the situation in Ireland on the other. Will he give careful consideration to such questions before Report? Otherwise, we shall be in a hopeless situation.

Mr. Clarke: I will give them serious consideration, but I make the point—not in an antagonistic spirit—that the definition of civil war is often just as difficult to achieve as the definition of terrorist or freedom fighter. There is no easy definition that solves the problem.

I want explicitly to acknowledge the concerns raised by my right hon. Friend the Member for Southampton, Itchen in his amendment. It is categorically our view that we need a definition that is wide enough to encompass the types of matter that I have addressed and we also need to restate the commitment made yesterday by my right hon. Friend the Minister for Policing, Security and Community Safety to look again at the issue of intent—a key point to which my right hon. Friend the Member for Southampton, Itchen also referred. Clearly, if we have a tighter intent test, the number of people who would fall within the ambit of the new offences in clauses 1 and 2 would be restricted, which might meet some of his concerns about the type of terrorism we would be covering. However, those are difficult questions and we acknowledge the points that he and others have made, including my hon. Friend the Member for Birmingham, Hall Green (Steve McCabe) in his intervention today, and we are happy to see whether we can reach agreement in a way that achieves more consensus on that point for Report. I acknowledge the fact that my right hon. Friend the Member for Southampton, Itchen seeks a slightly different definition in different areas to try to deal with those points.

Mr. Hogg: The Home Secretary may have just answered my question. Is he giving the Committee an undertaking that he will revisit the question of terrorism for the purposes of the clauses currently under discussion?

Mr. Clarke: I am. I shall also try to seek agreement. As with all these things, I cannot promise to reach agreement because the issues are difficult. I should like to achieve a state of affairs whereby the UN provides clarity, which is why the discussions in the UN on the convention are so important. To be candid, I discussed the matter with the Secretary-General of the UN only a couple of weeks ago and there is an absolute ambition to achieve that situation. I am glad that the UN is taking a

[Mr. Clarke]

serious approach. The difficulties in arriving at an agreed definition are real and substantial, but that is obviously the right way for us to go.

John Bercow: I hugely appreciate the spirit in which the Home Secretary is addressing the issues raised by the right hon. Member for Southampton, Itchen (Mr. Denham), my right hon. and learned Friend the Member for Sleaford and North Hykeham (Mr. Hogg) and others. I appreciate that the Home Secretary is looking at the nature and range of activities that need to be included in a definition. Notwithstanding the real difficulties, is he also considering the other side of the equation: the need to look at the environment in which people operate? If he wants to have an extraterritorial competence, it seems necessary to take account of the circumstances in which people are fighting.

Mr. Clarke: I agree. In fact, that was the central theme of my speech on Second Reading, when I sought to refer to the spread of democracy throughout the world over the past 30 years and the important changes in the environment of whole countries and even continents.

Helen Goodman: Following on from the previous point, not all hon. Members share the Home Secretary's very optimistic picture of the state of the world today. One way to deal with the different situations would be to consider sympathetically amendment No. 61 in reconsidering the issue before Report.

Mr. Clarke: I will very much look at amendment No. 61 in the context of this discussion, but I have an element of optimism. Progress has been made over the past 30 years, and we should commit ourselves to trying to make progress in the future. That is the right way to go.

Before I sit down, I need to make one other point in relation to the previous conduct of the Committee. In exchanges yesterday with the right hon. and learned Member for Rushcliffe (Mr. Clarke) and others, I suggested that I had received specific advice from the Attorney-General that the Bill is compliant with the European convention on human rights. I should clarify that the clear legal advice that I received was on the Bill's ECHR compliance, which enabled me to sign the section 19 statement to which I referred, and did not come from the Attorney-General personally. Further, in making that statement, I inadvertently breached the long-standing convention over many Governments that the fact that the Law Officers have or have not advised on any matter and the content of their advice should not be disclosed. For breaching that long-standing convention, I want to apologise to you, Mrs. Heal, and to the Committee.

Finally, I urge my hon. Friend to withdraw the amendment and hon. Members to support the Bill as arranged.

Mr. Cash: On a point of order, Mrs. Heal, I have put a question to the Solicitor-General, who is sitting on the Front Bench, and to the Attorney-General asking them to make a statement with regard to the point that the Home Secretary has just made. What is the status of that question? I have asked for a statement and for the opinion to be placed in the Library.

Peter Bottomley: Further to that point of order, Mrs. Heal. Is this an exception to the rule that, when a Minister refers to a document, it does not have to be placed in the Library?

The First Deputy Chairman: If the hon. Member for Stone (Mr. Cash) wishes to table those questions, it is entirely up to him to do so.

Mr. Cash: Further to that point of order, Mrs. Heal, I have done so: they are on the Order Paper today.

The First Deputy Chairman: If those questions have been tabled already, it is up to the Solicitor-General to reply to the hon. Gentleman.

In response to the question asked by the hon. Member for Worthing, West (Peter Bottomley), it is certainly not obligatory to do so.

Peter Bottomley: Further to that point of order, Mrs. Heal, I am grateful to you for that—*[Interruption.]*

Mr. Kenneth Clarke: Is the Home Secretary giving way, or has he finished?

The First Deputy Chairman: Was that a point of order, Mr. Clarke?

Mr. Clarke: I was hoping that the Home Secretary would give way, having just referred to me; otherwise, I am bidding for a 30 second speech.

The First Deputy Chairman: The Home Secretary has sat down and concluded his remarks.

Richard Burden: In view of the brevity of this debate, it would be inappropriate to vote on such a fundamental issue. I have heard what my right hon. Friend the Home Secretary has said.

Mr. Clarke: I wonder whether the hon. Gentleman could confirm that his understanding is the same as mine: we now no longer know what the Attorney-General's opinion is, despite the press speculation that he is deeply disturbed.

Richard Burden: My right hon. Friend has heard what has been said. I have heard his undertakings. They are welcome. Many hon. Members' views will be determined by what he returns with next week. I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

It being Six o'clock, THE FIRST DEPUTY CHAIRMAN, *proceeded to put forthwith the Questions necessary for the disposal of the business to be concluded at that hour, pursuant to Order [26 October].*

Clause 20 ordered to stand part of the Bill.

Schedule 1 agreed to.

Clauses 25 to 27 ordered to stand part of the Bill.

Schedule 2 agreed to.

Clauses 28 to 36 ordered to stand part of the Bill.

Schedule 3 agreed to.

Clauses 37 and 38 ordered to stand part of the Bill.

Bill (clauses 1 to 4, 23 and 24, 21, 22, 5 to 20, schedule 1, clauses 25 to 27, schedule 2, clauses 28 to 36, schedule 3, clauses 37 and 38, new clauses, new schedules, remaining proceedings), reported, with amendments; to lie upon the Table.

DELEGATED LEGISLATION

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Standing Committees on Delegated Legislation),

IMMIGRATION

That the draft Immigration (Provision of Physical Data) (Amendment) Regulations 2005, which were laid before this House on 10th October, be approved.—*[Joan Ryan.]*

Question agreed to.

EUROPEAN DOCUMENTS

Motion made, and Question put forthwith, pursuant to Standing Order No. 119(9) (European Standing Committees),

DRAFT BUDGET OF THE EUROPEAN COMMUNITIES FOR 2006

That this House takes note of the Unnumbered Explanatory Memorandum from HM Treasury dated 1st June 2005 relating to the Preliminary Draft General Budget of the European Communities for the financial year 2006, and the letter from the Economic Secretary dated 26th August relating to the Draft Budget of the European Communities for the financial year 2006; and supports the Government's efforts to maintain budget discipline in the Community.—*[Joan Ryan.]*

Question agreed to.

6.2 pm

Mr. Gerald Howarth (Aldershot) (Con): On a point of order, Madam Deputy Speaker. The House will be aware that today at Colchester the case against seven members of the Parachute Regiment who were charged with murder has collapsed at a cost of £10 million to the taxpayer, apparently. Scathing remarks were made by the judge about the unprofessional nature of the investigation that was conducted on British servicemen.

Given the concern that is felt throughout the armed forces and the damage to morale that such a number of prosecutions is causing, have you, Madam Deputy Speaker, received any request from the Secretary of State for Defence to come and brief the House today? If not, will you be prepared to call for him to make a statement to the House at the first opportunity on Monday—given that the House is not sitting tomorrow—bearing it in mind that all of us have in our constituencies the families of servicemen and women who are currently serving in the hostile environment of Iraq and elsewhere in the world? We in this House need to give real practical support to our troops to ensure that such accusations are not made against those who are fighting for our country in difficult circumstances, only for them to find that their judgment is second-guessed by civilians in London, after which the case collapses at substantial cost to the taxpayer. This is a most unsatisfactory state of affairs, Madam Deputy Speaker, so I hope that you will guide me on how we might proceed.

Madam Deputy Speaker (Sylvia Heal): I have received no such notice of any Minister wishing to make a statement to the House this evening. The hon. Gentleman's remarks are, of course, now on the record.

PETITIONS

Council Tax

6.4 pm

Mr. John Horam (Orpington) (Con): The House will be aware that there is great concern about the rising level of council tax throughout the whole country. Indeed, the nature of such protest is indicated by the fact that there are now rumours that the increase next year might be in the order of 10 per cent. I am thus delighted to present a petition on behalf of the IsItFair council tax protest campaign that is supported by more than 500 of my constituents in all parts of Orpington.

The petition

Declares that the year-on-year, above-inflation increases in Council Tax are causing hardship to many and take no account of ability to pay; further that the proposed property revaluation and re-banding exercise will make an already flawed system even worse.

The Petitioners therefore request that the House of Commons vote to replace Council Tax with a fair and equitable tax that, without recourse to any supplementary benefit, takes into account ability to pay from disposable income. Such tax to be based on a system that is free from any geographically or politically motivated discrimination, and that clearly identifies the fiscal and managerial responsibilities of all involved parties.

And the Petitioners remain, etc.

To lie upon the Table.

Madam Deputy Speaker (Sylvia Heal): The Clerk will now read the petition presented by the hon. Member for North Swindon (Mr. Wills).

[To the House of Commons.

The Petition of supporters of the IsItfair Council Tax Protest campaign.

Declares that the year-on-year inflation-busting increases in Council Tax are causing hardship to many and take no account of ability to pay; further that the proposed property revaluation and re-banding exercise will make an already flawed system even worse.

The Petitioners therefore request that the House of Commons vote to replace Council Tax with a fair and equitable tax that, without recourse to any supplementary benefit, takes into account ability to pay from disposable income. Such tax to be based on a system that is free from any geographically or politically motivated discrimination, and that clearly identifies the fiscal and managerial responsibilities of all parties involved.

And the Petitioners remain, etc.

The Petition is signed by Louise Bloor of Battersea Bridge Road, London and residents of North Swindon.]

To lie upon the Table.

Children's Hospices

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Cawsey.]*

6.6 pm

Mr. Robert Flello (Stoke-on-Trent, South) (Lab): I am most grateful for being given the opportunity to initiate this debate on an extremely important subject. At the same time, I am disappointed that I need to join the long line of right hon. and hon. Members in speaking to and questioning Ministers about the funding of children's hospices. Such hospices have been in our communities for almost 25 years but there is still no proper means of funding their vital work.

The current situation is disgraceful. We have a national health service that is being transformed for the better by reform and new investment. It is a transformation that is designed to give local communities a proper say in how NHS money is used. It is a transformation that means that primary care trusts are receiving record amounts of money. I believe that the average PCT budget will grow by almost £42 million by 2006–07.

In previous debates and questions Ministers have made various excuses for why children's hospices have not been funded. For example, it has been said that children's hospices are badly supported by the NHS because they are relatively recent. After 23 years, that excuse can be dismissed.

The single and most often repeated reason has been that it is not up to the Government to dictate to PCTs how much funding should be given to children's hospices. It has been said that there is no upper limit on how much money PCTs can give, but that it is up to the individual hospice to negotiate with the PCT on service delivery.

Lynda Waltho (Stourbridge) (Lab): I am pleased that my hon. Friend has been able to secure the debate on such an important subject. I wonder whether my hon. Friend has shared my experience when speaking to people involved with children's hospices; there is a feeling of utter frustration. On the one hand, Ministers say that money is available, but the problem appears to be that it is allocated to the primary care trusts. That is where it gets stuck. Only today I was told by the chief executive of a hospice that there needs to be joined-up thinking and joined-up working between the Department and the PCTs. That is where the biggest problem is.

Mr. Flello: I am grateful to my hon. Friend for raising those issues, which I hope to cover in my speech. It is incredibly frustrating that staff who do a fantastic job in this sector do not receive the recognition and support that they need from the PCTs whereas our communities are supporting them all the way.

I shall take a typical example, that of the engagement of Treetops children's hospice which is in my constituency, with the 10 PCTs in the area that the hospice serves. For the record, I am delighted to have been asked to serve as an unpaid member of the Donna Louise trust, which supports the work of Treetops.

The Government have an excellent record on working to meet the needs of children. Indeed, they introduced the excellent national service framework for children as part of the "Every Child Matters" initiative. That document set out a requirement for local statutory services to work with organisations such as children's hospices on the planning, funding and commissioning of local services. In practice, however, of the 10 PCTs contacted by Treetops—it was Treetops that initiated the contact, not the PCTs—only five agreed to face-to-face contact. One PCT has not replied to any letters and, in some cases, it took many months before a reply was extracted from the remaining four. Those replies basically said that the PCT was not interested. So much for full engagement by PCTs with service providers.

How much have the five PCTs that met Treetops contributed to the hospice services that are recognised as important by the framework? One PCT chief executive asked that very question, and was suitably shame-faced when he was told, "Absolutely nothing." Incidentally, he has not put the situation right. How much do PCTs pay Treetops for supporting about 135 life-limited children and their families, more than half of whom are referrals from the PCTs themselves?

Lynda Waltho: Does my hon. Friend acknowledge that there is an additional problem for hospices that cover a larger area? Acorns children's hospice covers the west midlands, Shropshire, Herefordshire, Gloucestershire, Warwickshire and Worcestershire, so it has the tremendous problem of negotiating with 33 separate PCTs. I appreciate the problem my hon. Friend has raised, but in fact it can be even larger.

Mr. Flello: My hon. Friend has highlighted the fact that hospices are dealing with a vast number of PCTs. It is a huge effort to extract any reply at all from some of them, and that problem is exacerbated if hospices have to write to even more PCTs.

PCTs do not pay Treetops anything for supporting life-limited children and their families, more than half of whom are referrals from the PCTs. The hospice is funded almost entirely by public donations, and has also received some money from the New Opportunities Fund over a three-year period. The picture is the same up and down the country.

Adam Afriyie (Windsor) (Con): Like the hon. Gentleman I serve on a hospice committee, and I support the Sebastian Gates action trust in my constituency. He alluded to the voluntary sector and the private donations that help to keep children's hospices going. Will he join me in commending the people who donate their time, energy and resources to those private trusts and hospices, because that fills the gap in Government funding?

Mr. Flello: The hon. Gentleman is quite right, and I join him in commending the work done by many people who put themselves out no matter what the weather, and who work hard to raise much-needed money from communities that want those services.

Given the lack of funding, one might wonder whether the Government genuinely accept the need for children's hospices. The national service framework, however, states:

"Palliative care services can include short-term breaks, counselling, family support services, pain management and symptom control."

Those services, the framework states, should be

"easily accessible, timely and in the setting of the family's choice."

It goes on to say that co-ordination and close liaison between agencies, including children's hospices, is thus essential. There is therefore strong Government commitment, which has been utterly ignored by PCTs.

As for adult palliative care commitments by the Government, in the Labour election manifesto we gave a commitment to increase funding for palliative care, but that does not extend to children. We have the perverse situation at the moment whereby a 17-year-old with cancer is not deemed suitable to fund, whereas an adult is. Can we really say that a child under 18 cannot be funded to die with all the support that a hospice can give, whereas a young person over 18 can have funded support? Does the Minister not agree that our manifesto commitment should cover children as well as adults?

I am not, as the Minister might think, standing here asking for unlimited funding for all children's hospices, despite the Government recognising that there is no upper limit on the money that could be available, but I am standing here asking for fairness. It is quite simply shameful that PCTs can decide who to talk to and who to fund, and yet pay no heed either to what the Government are asking them to do with taxpayers' money, or to those taxpayers themselves.

The Government have previously said that they cannot blanket fund all the costs of running children's hospices. But, again, that is not what I am asking for. The cost of running all the services, using my example of Treetops, is around £4,000 a day, a figure that I believe is comparable across the country, and yet the cost of medical care for each child is just £240 a night. Is it really too much to ask the NHS to pay for medical care? Is not that part of its remit?

In some parts of the country, PCTs are at least going some way towards meeting their obligations to the communities that they serve by providing up to 10 per cent. of running costs for some hospices. But I am looking for a directive from the Government to primary care trusts, not asking them perhaps to think about it and if they cannot be bothered even to reply to letters, not to worry, but ordering them to instigate a process whereby PCTs must passport the medical costs of children using hospices to the hospice in question.

To return to Treetops, let us take the example of a wonderful little girl who was telling me recently all about her visit to see "Disney on Ice". If she chooses, with her parents, to go to a hospice for respite care, the cost of the medical element should be met by the PCT covering the area where she lives. It does not need to be complicated; it just needs to happen. Where is the NHS free at the point of need for our children?

I urge the Government, through the Minister, first to widen the scope of additional palliative care funding to include children; secondly, to put in place a process that will force PCTs to engage properly with children's hospices in accordance with the national service framework; and thirdly, to put in place a process that forces PCTs to commission properly children's hospice services in a manner that passports the funding for medical care.

Before I close, I again pay tribute to everybody within the children's hospice movement and the caring public who support them.

6.17 pm

The Parliamentary Under-Secretary of State for Health (Mr. Liam Byrne): I am grateful to my hon. Friend the Member for Stoke-on-Trent, South (Mr. Flello) for instigating today's debate. I must congratulate him on his focus upon the work of children's hospices—hospices that make such a difference to the lives of his constituents. I am shortly to visit his constituency, and I look forward to meeting some of the people about whom he spoke tonight. In particular, I congratulate him on his work with the Donna Louise trust's Treetops children's hospice, based in his constituency, and congratulate him on his work to launch its funding for life campaign. Other hon. Members will have an equal interest in their own children's hospice and will want to hear what the Government have been doing to ensure that these and other support services grow and thrive.

If the House will permit me, I should like first to set out the seven steps that the Government have taken since 1997 to weave a web of care around the protection and care of children. Since 1997, there has been a transformation in the understanding of the needs of children with life threatening illness and their families.

Step one was the Department's immediate commendation of a report by the Association for Children with Life-Threatening or Terminal Conditions and their Families. That was closely followed by the second step, which was the NHS Executive guidance in 1998 which drew together the lessons learnt during a series of projects providing a range of care to families.

Also in 1998, step three, a team headed by the Treasury invited applications to establish Diana children's community nursing teams throughout the country to build upon the work undertaken during the pilot project programme, and to blaze a trail for the development of home care for children with life-threatening illnesses. Additional funding of nearly £1.5 million for England was provided by the Treasury enabling eight Diana children's community nursing teams to be introduced in England during 1999.

Step four occurred in 1998, when the Association of Children's Hospices was registered as a charity to promote the interests of the children's hospice movement and to develop public awareness and support for children's hospices and paediatric palliative care. The Department of Health has worked closely with the association since then to develop a better understanding of the issues. In particular, it commissioned the association to provide a quality assurance package to enhance the quality of care provided by children's hospice services.

Step five occurred in 2000, when we started discussion with the New Opportunities Fund, the Department for Culture, Media and Sports and voluntary organisations to promote palliative care services for children. That resulted in the 2003 NOF awards, in which more than £45 million was awarded to 135 projects, including 71 awards to home-based palliative care teams.

Adam Afriyie: I am delighted that this debate is taking place, because the mark of a civilised society is how we treat our children. The Minister has mentioned the New Opportunities Fund: will he make it perfectly clear that the moneys from the New Opportunities Fund have absolutely nothing to do with the Government and concern expenditure by lottery distribution funds?

Mr. Byrne: I will consider that point later in my remarks.

Furthermore, 39 awards were made to bereavement teams and 25 awards, totalling £15 million, were made to children's hospices. Those projects are being assessed over a three-year period with a view to filling gaps in services and making children's palliative care provision far more mainstream.

Step six occurred in 2003, when the National Institute for Clinical Excellence commissioned the National Collaborating Centre for Cancer to develop service guidance on child and adolescent cancer services, including palliative care and bereavement support. NICE service guidance supports the implementation of the national cancer plan and forms an additional structure to provide for children's palliative care needs.

Step seven involved work with the Association for Children with Life-Threatening or Terminal Conditions. The Department of Health funded the production of and commended the ACT care pathway guidance, which was launched last year to complement the children's national service framework on disabled children and young people.

As my hon. Friend has argued so eloquently, however, seven steps are not enough, and we can and must go much further. To identify how the Government can best support hospices, we must understand how hospices are started, how they work and how they provide the services that make such a difference. That difference is already being made in my hon. Friend's constituency, where I understand that Staffordshire Moorlands PCT hosts the children's community nursing team on behalf of all four PCTs in north Staffordshire. The provision of palliative care for children is implemented through a team that provides comprehensive packages of care through two respite workers who work closely with families, and a nursing team that has two part-time social care workers, one of whom is from the city council and one of whom is from the county council.

Mr. Flello: I hear my hon. Friend the Minister's comments about the PCT's good work. Where was the collaboration?

Mr. Byrne: I agree with my hon. Friend and will address that remark directly in a moment.

Several key themes emerged from ACT's work. In particular, it highlighted the importance of positively influencing the planning and development of future hospices. The association's experience suggests that the desire to set up a hospice often comes from the tragic struggle of a particular family, which can generate enormous energy and a single-minded determination to see through an important dream. To help ensure that such energy is channelled in the right way, the Department can do a great deal more to support innovative services. Crucially—this point lies at the heart of the debate—we must ensure that such services are sustained in the long run once they have been started.

To help those with ambitions to set up hospices, the Department has provided funding for ACT to develop a toolkit on how children's hospices work. The toolkit aims to provide references to the sources of information that are required successfully to plan and establish a service, so that any new services can make more informed decisions about how a venture should look. The toolkit will provide a far better understanding of what is involved in starting and running a children's hospice service and an overview of the challenges and pitfalls that such a project may involve.

Most importantly, the toolkit will emphasise the importance of consultation at the beginning of the process. It will also emphasise that children often need different sorts of services, particularly hospice-at-home services. ACT has commented that although establishing a hospice-at-home service is not an easy task, it is often possible to get it up and running far more quickly. Moreover, it can provide a more flexible option by responding to changes in families' needs and expanding or reducing in response to other external factors. Day care and hospice-at-home services should not be viewed as second-class options.

Lynda Waltho *rose—*

Mr. Byrne: I give way to my hon. Friend, who has such services in her constituency.

Lynda Waltho: I appreciate all the work that is being done to assist with new hospices. However, I am concerned about current funding for hospices that are jumping through all the hoops. They are being assessed by the National Care Standards Commission and providing exemplary care, but they are struggling. That is the biggest problem.

Mr. Byrne: I completely agree with my hon. Friend.

Jeff Ennis (Barnsley, East and Mexborough) (Lab): I congratulate my hon. Friend the Member for Stoke-on-Trent, South on securing this important Adjournment debate. I am sure that he is aware that I have tabled early-day motions on the subject and had a similar Adjournment debate in the last Parliament. I am pleased to see the Minister in his place, because he replied to that debate as well.

The crux of the problem is that children's hospices receive only about 7 per cent. of their funding from the NHS, whereas adult hospices receive about 33 per cent. of their funding from the NHS. It is unfair to compare adult hospices with children's hospices, as the Minister said in the previous debate and today. Nevertheless, the fact is that adult hospices generally have to deal with only one, two or three primary care trusts because they generally represent one town—for example, the St. Peter's hospice in Barnsley and the Doncaster hospice—while children's hospices can be covered by up to 33 PCTs. The onus should be on the PCT to contact the children's hospice to set up an agreement rather than the other way round.

Mr. Byrne: My hon. Friend has been a passionate advocate of children's hospice services in this House for some time, and I commend him for his remarks.

Let me cut immediately to what the Government should now do, because we can and must do more. At the heart of the concern of my hon. Friend the Member for Stoke-on-Trent, South is the way in which the local

NHS works together to put in place services that make a difference to children's lives. He says that those services must change, and I agree. I will shortly launch dedicated guidance for that purpose—work that will build on and realise the intentions expressed in the national service framework for children and young people, which is mandatory on the NHS. That guidance for commissioners of palliative care is in the final stages of development, and I will ensure that the comments made by hon. Members are brought to the attention of the officials who are drafting it, which will be beneficial. The guide will support health care organisations, local authorities and other partners, working together with them in children's trusts to understand and develop children's palliative care services and to apply the mandatory children's national service framework in its delivery.

Mr. Flello: It would be beneficial for the Under-Secretary to see a children's hospice for himself. I invite him to Treetops to see the work that is done there so that, when he reads the paperwork that his civil servants prepare for him, he knows exactly what that means in practice.

Mr. Byrne: I look forward to visiting my hon. Friend in his constituency.

The guidance will set out a service model, describe the elements that should be present in the services that are commissioned and give practical examples of approaches to providing children and young people with the services. It will detail the role that we expect commissioners to play in ensuring that they commission the right services in the right place at the right time.

As my hon. Friend pointed out, the local NHS receives record funding. There is no ceiling on the money that it can give to children's hospices, but the funding must be co-ordinated. Hospices must not be trapped in a paper chase or, worse, at the end of a telephone, with no reply. The NHS and the local children's hospice sector have asked for guidance on important matters, and I am pleased that we can assist them through the publication of the guide. On publication, I shall ensure that copies are placed in the Library.

The second step that we must take is ensuring that specialist commissioning is much sharper. My noble Friend Lord Warner made a ministerial statement on Wednesday 19 October announcing a review of NHS specialist services. A new taskforce will be headed by Scotland's former chief medical officer to investigate how the NHS currently commissions specialist services and consider ways in which to tighten those commissioning arrangements so that there is much greater consistency throughout the NHS. I undertake to ensure that the review is alerted to the specific needs of children's hospices.

I want briefly to consider resources. My hon. Friend spoke passionately about the need to extend to children our manifesto commitment to provide funding for end-of-life care for adults. With the agreement of my hon. Friend the Minister of State, Department of Health, the Member for Doncaster, Central (Ms Winterton), I confirm that we will extend the pledge to care for children and young people with life-threatening conditions. I will make further announcements to the House as soon as possible.

The outcome of the Department's White Paper "Your health, your care, your say" will be taken into account as we discharge our commitment. Ministers have held meetings with the national cancer director and officials to discuss how best to effect the commitment. Ministers have also met key voluntary sector organisations and the all-party group on hospice and palliative care.

I pay tribute to the many Members of Parliament who have worked so hard for so long on behalf of hospices and palliative care services. Hospices make an invaluable contribution to the mix of services that children and young people who have life-threatening or life-limiting illnesses need. As well as providing financial resources to the NHS, we give guidance to the commissioners of services and to hospices through the Association of Children's Hospices toolkit.

I am delighted that the Association of Children's Hospices, which is the umbrella organisation for voluntary children's hospices, has today agreed to undertake a joint launch with the Department of Health on 29 November of the toolkit on how children's hospices work and the Department's new guidance on commissioning. It will be hosted by my hon. Friend the Member for Bristol, East (Kerry McCarthy), and I shall ensure that hon. Members are alerted because several regional events to bring local hospices together will take place after the launch.

Adam Afriyie: I simply want to commend the Under-Secretary for his commitment to the funding for children's hospices, which are important to us all.

Mr. Byrne: I am very grateful to the hon. Gentleman. I had the pleasure of debating with him before the general election. He distinguished himself in that debate, and he is already distinguishing himself in the House.

In conclusion, I firmly believe that children and their families will be best served by a strong partnership between the national health service and voluntary sector organisations. That partnership has thrived and grown stronger over the past few years, and it will be very important as we set about putting record extra resources into the national health service, taking its total funding to about £92 billion, and creating a national health service that reaches the parts of communities that we have not yet been able to reach. We look forward to a continued good working partnership with the children's hospice movement, and, with the support of hon. Members, I believe that we will achieve that.

Question put and agreed to.

Adjourned accordingly at twenty-five minutes to Seven o'clock.

Westminster Hall

Tuesday 25 October 2005

[MISS ANN WIDDECOMBE *in the Chair*]

Housing (Hampshire)

Motion made, and Question proposed, That the sitting be now adjourned.—*[Mr. Cawsey.]*

9.30 am

Mr. Mark Hoban (Fareham) (Con): This is a timely debate coming just days after the closure of consultation on the document entitled "Where shall we live?", which sets out the allocation of houses within Hampshire. It might be seen as a curtain raiser for next month's visit by the Minister for Communities and Local Government to Hampshire to discuss the document and its infrastructure implications. I wish to talk about how the plan will affect Hampshire and explain its particular effect on south Hampshire, in which I include the unitary authority areas of Southampton and Portsmouth. I wish first, however, to deal with the issues that will affect the whole of Hampshire.

The consultation process closed on Friday. The county council did as much as it could within the time scale and with the resources available to ensure that the proposals for housing allocation throughout Hampshire were communicated to as many people as possible. I know from a well attended public meeting in my constituency a week last Friday that less than half of the people there had read the document. Furthermore, because of the consultation timetable, some of the work that should have underpinned it, such as understanding the infrastructure needs of the additional houses, had not been completed.

Mr. Desmond Swayne (New Forest, West) (Con): Is my hon. Friend as alarmed as I am that no study has been made to assess the impact on the New Forest of any of the options? Does he agree that infrastructure requirements include day-to-day needs for recreation because, frankly, the New Forest cannot accommodate that?

Mr. Hoban: My hon. Friend makes an important point. Indeed, the New Forest national park authority said that development in the east of the county will have an impact on the New Forest itself, especially on the roads going through it. If more people are to be living in Hampshire, they will want recreation and will look to the New Forest as a natural place to visit.

The lack of detailed preparation applies not only to recreation. There is a lack of detail about some of the transport issues associated with the plan. For example, the consultation document on the strategic development area north of the M27 stated:

"It would have new/improved transport links to Fareham and Portsmouth",

but made no reference to what the links might be. They could range from a better bus service to a new dual carriageway or a new motorway junction. The process is structured in such a way that it is not helpful to those who wish to participate, to those who want to understand its implications and to those who ultimately have to consent to the development.

"Where shall we live?" sets out the allocation of new housing throughout Hampshire. In south Hampshire, 80,000 homes are planned to be built between 2006 and 2026. It is planned to build 16,000 homes in central Hampshire and the New Forest, and 26,000 homes in north Hampshire. That is a total of 122,000 homes. One in five of the almost 600,000 homes that are to be built in the south-east between 2006 and 2026 will be built in Hampshire.

The new development will be provided in one of three ways. First, there will be development within existing towns and cities. In south Hampshire that will focus particularly on Portsmouth and Southampton. Secondly, there could be urban extensions to towns throughout Hampshire to places such as Waterlooville and, thirdly, there could be two new strategic development areas in south Hampshire. Each method will have its own implications for the communities that it affects. However, one factor unites all the communities: infrastructure. What will it be? Who will pay for it? The centrality of the issue to the people of Hampshire is illustrated by a comment in the consultation document. It states:

"there must be clear guarantees of investment—by the public and private sector together—in physical and community infrastructure to support growth. This means investment to improve such things as roads and other transport facilities, water and sewerage systems, schools and health facilities."

However, local residents are sceptical about the Government's willingness to commit to the funding of the infrastructure needed to support the new development. Although we recognise the important role that developers' contributions will play in funding the infrastructure, we must also recognise that those will be insufficient to meet its full cost and that some of that cost will have to be borne by central Government.

Local people would like to see some conditionality: the Government and local authorities making an objective assessment of what infrastructure is needed—whether improvements to the road network between the M3 and the M4, or the sewerage and water requirements—for the 122,000 homes. Having agreed on that, they should agree on who would meet the cost, when it would be delivered and how housing development should be phased in line with that.

Ultimately, we would like to see the Government sign up to the plan, manage and monitor approach so that development would not run ahead of infrastructure, and that when infrastructure was lagging, the release of land for housing development would slow or stop. In effect, we are looking for a guarantee that the Government will foot their share of the Bill for the major infrastructure investment needed as a precondition for housing development—no infrastructure, no development.

Sir George Young (North-West Hampshire) (Con): Is it not the case that not only local residents have doubts about whether the infrastructure will be made available? A Select Committee of this House also expressed similar doubts when it considered the south-east plan and it looked for similar reassurances from the Government.

Mr. Hoban: Indeed; my right hon. Friend is right—the Select Committee also had doubts. Furthermore, in

[Mr. Hoban]

its work on sustainable development in the south-east, the Institute for Public Policy Research raised the same issues. There is widespread concern that the Government are not prepared to pay their share for the development. The Government need to recognise the high infrastructure costs associated with this issue and understand how housing development is to be financed and supported, and how the associated infrastructure is to be delivered.

Why is this such an issue in south Hampshire in particular? Why is there such concern about infrastructure? Let me give two examples. The first is Whiteley, a community of 2,500 homes north of the M27, part of which is in my constituency. In many respects, Whiteley is an ideal place in which to live and work, but it has significant drawbacks. Despite the fact that local people are able to live and work there, at 8.30—human nature being what it is—it appears that its whole population spills out to work elsewhere and is replaced by an entirely new population that works in the offices and businesses there. If there were a good road network, that would be fine, but there is one road only in and out of Whiteley and that goes to a busy junction, the M27.

It would cost about £15 million to buy the land to complete the road network and create another exit from Whiteley. After 15 years, there is still only a temporary doctor's surgery in Whiteley; the primary school is not big enough to meet the needs of all the children who live there, so five and six-year-olds have to be bussed to schools the other side of the M27. After sustained pressure from parents, councillors and me, the county council has agreed to build another one-form-entry primary school to meet the needs of the existing community, at a cost of £4 million. Secondary school children living in Whiteley are bussed to Fareham, despite there being another, closer secondary school. However, that secondary school already has 1,700 pupils to meet the needs of the growing population in that part of the area.

Not long after I was elected, I asked why an extra secondary school was not being built to service the housing development in the west of my constituency. The answer was that the Government's funding for additional school places is on a per-pupil basis; there is not the money in the system to build an entire new secondary school. Developers' contributions are sufficient to build a new primary school, but not a new secondary one.

School places, GP surgeries, roads—all the evidence is that there is an infrastructure deficit in Whiteley. The community has seen housing development go ahead of infrastructure provision. Houses were built without adequate provision of roads, community facilities, schools and doctors' surgeries. It is not surprising that my constituents are sceptical about the willingness of central Government to foot their share of the bill for proper infrastructure.

Let me give one further example of the current infrastructure deficit in south Hampshire. Hampshire county council and Portsmouth city council both back a rapid transit scheme to link Fareham and Portsmouth through Gosport. That would relieve the pressure on the A32 between Fareham and Gosport, and on the M27. It is intended to be phase 1 of a scheme linking those places to Southampton. The Government initially agreed to fund the scheme—they recognise that there is infrastructure need—but there was a cost overrun. The county council and city council went back and reworked the Government's contribution, and brought it down in line with the original estimate. Has a decision been made on the matter? No. The scheme is still sitting in the Department for Transport, awaiting decision by a Minister.

The scheme would tackle some of the infrastructure problems in the area. The south coast multi-modal study described it as a "must do" scheme. All its other improvements to the transport infrastructure of south Hampshire were predicated on the scheme going ahead. So we can understand why people in south Hampshire—and across Hampshire as a whole—are sceptical about the willingness of Government to fund the infrastructure needed to support the housing development set out in the south-east plan. It is in that context that people are considering the proposal set out in "Where shall we live?" and questioning whether the money will be there to provide infrastructure.

I want to touch on the plans for south Hampshire itself. As I said, the greatest burden of house building falls on south Hampshire. The Partnership for Urban South Hampshire is a group of local authorities, including the Southampton and Portsmouth authorities, that has developed a plan for south Hampshire, focusing on the need to raise economic development in the area in line with that of the region as a whole. It argues that a higher rate of housing development will lead to a renaissance for the two cities and other older urban areas. I shall return to that later.

The question asked by my constituents and people elsewhere in south Hampshire is how the additional 80,000 houses will be accommodated. We know that 38,000 will be built on existing sites, principally in Southampton and Portsmouth, and that 11,000 will be built on sites already identified for housing by the borough councils. Two new sites for strategic development areas have been identified, one in the constituency of the hon. Member for Eastleigh (Chris Huhne), and one north of the M27, in my constituency, where 10,000 houses will be built on greenfield sites between Fareham and Wickham. The balance of the number of houses will be extensions to urban areas.

As for the strategic development area planned for my constituency, its site is along the M27. Anyone who drives along that road can see it. It is currently green fields. There are only two settlements in that area, both quite small—Funtley in my constituency, and Knowle in Winchester. There is little in the way of infrastructure in the area. There is no school and no general practitioner surgery in Funtley. Apart from some small and winding B roads, there is the single-carriageway A32, which leads to Fareham. Through junction 10, it has access eastbound to the M27 towards Portsmouth, but not westbound to Southampton. From the same junction, there is access northbound from the M27 to the A32, but not southbound. There would need to be new shops, community facilities, doctors and dentists.

As local people consider the implication of that SDA for their area, they think back to the experience of Whiteley, just a few miles up the road, where there were

new houses but poor infrastructure. They ask whether the new SDA will suffer from the same problems that bedevil Whiteley, and ask who will meet the cost.

We know that developers' contributions will meet some of that cost; indeed, PUSH has a working assumption that developers will contribute £10 million for every 1,000 houses, so 10,000 houses will bring in £100 million. That sounds like an infrastructure bonanza, but new residents should not expect the roads of the area to be paved with gold. Just think about the costs of the new infrastructure needed for the area: a secondary school costs between £15 million and £25 million, and a single-form-entry primary school costs £4 million. It has been estimated that to convert junction 10 into a fully functioning junction, so that people can access routes north, south, east and west rather than simply north and east, would cost about £80 million.

Although we might quibble about the cost of individual items, it is clear that if we are to fund the infrastructure needed for 10,000 new homes, Government money will be required, but we know that the community infrastructure fund is only about £200 million. As the IPPR said in its report on sustainable development in the south-east,

> "The UK needs an open debate about whether, as a nation, we are prepared to devote resources necessary to deliver a range of housing policy objectives... and to meet other associated demands for improved infrastructure in areas such as transport."

Local people are looking for a guarantee from the Government that the support will be there. If the Government are not prepared to invest what is required, would it be possible to scale back the level of housing development to bring it in line with the amount that they can afford to contribute towards the cost of the infrastructure? Will they permit local authorities to use the plan, monitor and manage approach to enable them to slow down, or even to stop, land release if the infrastructure does not exist?

Will the Minister make the commitment today that, together with local authorities, the Government will agree the infrastructure needs and their cost, the timing of delivery and how the costs will be met, to ensure that there is a match between infrastructure delivery and housing development? That would mean that if the Government do not meet their side of the bargain, local councils will not be forced to deliver the 80,000 homes in south Hampshire, the 120,000 in Hampshire as a whole or the 600,000 in the south-east, and that residents, new and old, do not have to suffer from the infrastructure lag that has affected other parts of Hampshire.

As I said, one of the objectives of PUSH is to raise the level of development in south Hampshire in line with that of the rest of the region. The argument is that if we are to raise economic growth in south Hampshire, we will need to bring new businesses into the area which offer a higher value added than existing ones. While that is one way to achieve economic growth, on grounds of sustainability surely it would be better to develop the skills of local people first, so that local businesses can move further up the value chain and therefore drive up economic development without having to increase housing development. Indeed, PUSH would have preferred to be able to develop its economic strategy so that it could put housing targets in the context of that strategy and examine the needs of local people to try to raise their skills and avoid higher and higher levels of housing development.

May I develop the argument one stage further? PUSH has suggested that if economic growth rates in the area were to match the regional rate, the release of housing land would be adjusted to reflect the fact that it had reached its objective. Again, will the Minister confirm that if the economy in south Hampshire meets the targets set by PUSH, using the plan, monitor and manage approach the rate of release of land would be altered?

There is another aspect to this debate; it is not just about what is happening in Hampshire. We see the debate in the context of the Barker report on affordability of housing and its planning implications. Will the Minister elaborate on how the plan, monitor and manage approach that Hampshire local authorities wish to use and adopt on infrastructure development would mesh with the proposals set out in "Planning for Housing Provision"? That recommends an automatic release of extra land for housing development if house prices rise too sharply.

That automatic release mechanism implies that if the housing market was overheated, more land would be released; its release would be accelerated, regardless of the infrastructure provision planned and delivered. Is that the case? If the mechanism were used to release land early, would the Office of the Deputy Prime Minister be able to accelerate the funding of the infrastructure needed to meet the demands of the additional housing?

I have focused on some narrow issues about development in Hampshire. The Hampshire wildlife trust and, as my hon. Friend the Member for New Forest, West (Mr. Swayne) said, the New Forest national park authority have their own concerns. They have contacted me to raise their issues relating to the proposed scale of development and its impact on the environment in Hampshire. I hope that I have given the Minister the flavour of the concerns expressed by my constituents and others across Hampshire about the scale of development and the infrastructure required.

At the heart of the debate there are three questions. If the economic growth targets set by PUSH are met, will house building be scaled back? Will the Government meet their share of the infrastructure cost of the 80,000 homes scheduled for Hampshire? If they are not able to do so, will housing development be scaled back to match the infrastructure that they can afford to finance?

In essence, is the target for Hampshire one that must be hit or will the ODPM recognise that progress will be made towards that goal depending upon the state of the sub-regional economy and the funding of the infrastructure needed? They are key questions for my constituents—questions about the future of the communities of south Hampshire—and ones that the Government must answer.

9.49 am

Mrs. Maria Miller (Basingstoke) (Con): I congratulate my hon. Friend the Member for Fareham (Mr. Hoban) on securing this most timely debate on housing development in Hampshire. The Minister

[Mrs. Maria Miller]

might know that I initiated a similar debate three months ago, and much remains unanswered on this issue. I shall focus on the sustainability of development, which should be at the core of the Government's strategy on housing, and which should be a fundamental concern in the plan of the Government and the South East England regional assembly for Hampshire and the whole of the south-east.

There has been a barrage of consultation on housing numbers in my constituency and throughout Hampshire in recent months—different consultations continually taking place and the publication of reports such as "Your Shout!" and "Where shall we live?"—but there are few details of their impact on our local communities in respect of environment and services, how local services will be increased to meet the new needs that the housing numbers will dictate, who will pay for the services, and whether the options under consideration are truly sustainable. Several important reports suggest that the Government do not know the answer to those questions for Hampshire or the south-east.

Residents in my constituency and throughout the south-east have been asked to give their considered opinions in surveys, but they have not been given the facts on which to base their responses. It is difficult to make judgments on specific housing numbers without clear facts on the implications of those decisions for future generations. My right hon. Friend the Member for North-West Hampshire (Sir George Young) mentioned reports produced by this House, and I wish to refer to one of them now. The House of Commons Environmental Audit Committee issued a report in May. Its conclusions on the Government's housing strategy stated that

"the Government has been able to take the Review's agenda forward without having to acknowledge the serious environmental implications contained within it."

Indeed, in evidence to the Committee, the Minister admitted that little attention had been paid to environmental and sustainable aspects. In a speech to the Royal Town Planning Institute, the author of the Barker report admitted that she regretted not focusing more on infrastructure issues.

SEERA, which is responsible for implementing Government policy on housing, states that its objective for the south-east is a

"distinctive, outward-looking, accessible region of prosperous, sustainable communities".

One would expect it to know what is sustainable for Hampshire. The south-east plan sustainability report, which it issued in July, stated:

"Achieving the scales of development within the South East that are proposed in the Plan without damaging local quality of life and environmental assets will be a major challenge".

Concern within SEERA about the impact of the plans stretches further:

"It is not known what the overall impact of the strategy will be in terms of numbers of vehicles on the roads ... The transport policies have to be very effective very quickly to prevent the likely adverse impacts from increased travel."

That is of little comfort to the residents in the west of my constituency who only last week learned that the borough council would be forced to close a major access road if a highly controversial major development area were to go ahead in the neighbouring constituency.

Lack of consideration of the impact of house building targets permeates everything. The south-east plan sustainability report also states that the lack of any policy on historical environment does not seem appropriate, given the extent of the region's historical environment assets, and that policies on water resources will require new supply infrastructure. Indeed, when I last raised that issue in a debate, the Minister had to admit that major concerns had been raised about water and waste in Basingstoke, but that Thames Water and the Environment Agency had yet to find an answer.

The shortfall in investment in local services such as roads, public transport, schools, water supply and sewage disposal is estimated at £1 billion for Hampshire. That shortfall exists before the change in magnitude of housing development. The debate is not about whether new homes are needed in many areas of Hampshire but about the scale of development. There is a perverse nature to the process being followed, in which the Government set housing targets before they determine whether local services can cope with them. That is not the right approach. I can give numerous examples of improvements in local services in Basingstoke being promised but not delivered when houses have been built, and I have done so in previous debates.

Trains into Waterloo are overcrowded to breaking point and there is no money for new doctors' surgeries, but we are still building more than 800 new houses a year. A new school was promised in a housing development of 800 but was scrapped once the houses were being built, and a new station that was promised several years ago in the Chineham area of my constituency is yet to be realised. The South East England regional assembly is so distant from my constituency that it is attempting to place some of the most rural parishes in the south of my constituency into the western corridor—a region of high-density development growth—threatening to split rural parishes in the process. I am campaigning vigorously on that issue and I shall continue to do so alongside local residents.

I respectfully suggest to the Minister that the process has started at the wrong end. If she really wants sustainable communities in Hampshire, let our communities determine what is sustainable locally. We must establish what local improvements to services we can afford and what our environment can sustain, particularly given that during the previous debate I had on the matter, the Minister made it clear that the Government would not fill the gap relating to local services. The Government must heed the warnings of the Environmental Audit Committee and SEERA's sustainability report. Nowhere to date has there been an adequate analysis of the impact of what has been suggested.

I must apologise because I am unable to stay for the winding-up speeches today; I have to attend the Trade and Industry Committee. I hope that the Minister will take heed of the need to stop these meaningless consultations, and the need to give residents the facts about what is proposed throughout Hampshire. The implications of this level of development seem to be unknown. Is that really the right approach to such a massive change in housing policy? Is it a responsible plan for our future? The facts to date suggest that it is not.

9.56 am

Chris Huhne (Eastleigh) (LD): I should like to associate myself with many of the sentiments expressed by the hon. Members for Fareham (Mr. Hoban) and for Basingstoke (Mrs. Miller), particularly in their citing of the report from the IPPR on sustainable development in the south-east, which I commend to the Minister. I was a member of the cross-party group that wrote that report and its key point is correct: we must ensure that planned infrastructure is in place before adopting a top-down targeting approach, which the Government seem to have embarked upon.

I represent a Hampshire constituency where more than 4,000 people are on the housing list. Very large numbers of young local people, including young couples with children, who come to my advice surgery cannot afford to get on the first rung of the property ownership ladder. They are forced to wait, often in very difficult circumstances, for accommodation from one of the local housing associations. There are homeless people, too. Some of them are sleeping rough, even as the nights get substantially colder, and recently there have been nights when it has been impossible to find a hostel place anywhere in the county.

In other words, I know that there is a real and pressing problem of housing and homelessness, even in a county as relatively prosperous and affluent as mine undoubtedly is. I shall not, therefore, join the nimby tendency and oppose any and all housing development. I have fully supported Eastleigh borough council in some of the tough choices that it has had to make to ensure that we do not ignore the real problems of homelessness and the lack of adequate social housing. Last year, 906 new homes were built in Eastleigh borough; we have not ignored housing need. I am also pleased to say that those homes were overwhelmingly built in existing communities and not on green fields.

Eastleigh council has pursued a strategy of meeting housing need from brownfield sites, like the Pirelli and Causton sites in Eastleigh, rather than building on the fields that separate and define the towns and villages of the borough. It has not always been easy. The borough has had to take tough decisions, including on a recent proposal to build on allotments. Inevitably that has stirred up much local opposition. Overall, though, the policy has helped to rejuvenate the town of Eastleigh and has ensured that a number of local schools that might otherwise have been under threat of closure due to falling rolls have been able to stay open and continue to serve the local community successfully.

The policy has been overwhelmingly supported by local people for many years and it was set out in the local plan by the borough council. It contrasts with a proposal from Hampshire county council for a 4,000-home major development that would have been a nail in the coffin of many local communities. The new town would have filled in a large part of the countryside between Eastleigh, Bishopstoke and Fair Oak on one side and West End and Hedge End on the other. It would have been a large step towards a Solent city that no one in the area wanted.

Thankfully, the borough council's rejection of the idea in its local plan review to 2011 was upheld after a six-month review by a Government senior planning inspector, Mary Travers. In other words, Ms Travers backed the people on the ground in their judgment of how best to provide necessary housing. Members can therefore imagine the consternation when we found ourselves confronted with a proposal for a strategic development area twice as large—with 9,000 new homes—as the major development area that has just been rejected. The proposed site is north of Hedge End between the Grange Park area and Durley. Effectively, this is another new town proposal. Does Hampshire county council have no respect for local residents' views?

Mr. Hoban: Does the hon. Gentleman accept that the leader of Eastleigh borough council is also part of PUSH, which made these proposals? Its voice is as strong as that of the county council.

Chris Huhne: I assure the hon. Gentleman that the leader of Eastleigh borough council has associated himself with the borough council in its decision not to support the proposals or suggest house-building targets. The crucial point is that, as the hon. Gentleman said earlier, we are attempting to set house-building targets before we have dealt with the issue of how to meet infrastructure provision.

There should be no doubt about local residents' views. Residents in all the surrounding villages have repeatedly supported the borough council's policy against the alternative proposal for a major development area. We have elections by thirds, so we have elections every year for either the borough or the county council. Every year, Liberal Democrat councillors in favour of preserving local communities from being swamped by a Solent city are re-elected.

In the last few weeks, I sent a survey to the residents of Grange Park, the area most affected by the new proposal, and I can report that opposition to the scheme remains both passionate and overwhelming. Just 3 per cent. of the residents who responded backed the idea. Some 21 per cent. said that a new town would be welcome but the location was inappropriate, and 66 per cent. said that development should take place across the county in existing built-up areas.

Every single resident who responded backed the proposal from the borough council for a green belt that would ensure that local communities stay as such, and do not become suburbs of a Solent city. They are right, and the bureaucrats at the Government office for the south-east or in the county council at Winchester castle are wrong. In Eastleigh, we have shown that we can responsibly balance local housing need and the preservation of our quality of life in our local communities, and we should be allowed to do so.

Sir George Young: I have a lot of sympathy with the points that the hon. Gentleman is making. However, is it not the case that the pressure for extra development in his constituency and mine comes not from Hampshire county council, but from the Office of the Deputy Prime Minister? In the case that he mentioned, I think he will find that Hampshire county council proposed a much a lower figure for overall development in the county, but was overruled by the ODPM. That is the pressure that is causing the problems that he refers to.

Chris Huhne: I am grateful to the right hon. Gentleman. That is exactly why I mentioned the

[Chris Huhne]

Government office for the south-east as well as the county council officials at Winchester castle. The reality is that the options that have been set out were set out by the county council.

Mr. Hoban: I am sorry to intervene again, but does the hon. Gentleman not recognise that the proposals set out in "Where shall we live?" have been promoted by PUSH, which includes all the borough councils, the two city councils and the county council? It is unfair to say that the county council is to blame. Liberal councillors have taken part in the process and supported the plans.

Chris Huhne: I can understand the hon. Gentleman's embarrassment that his own borough council, which is controlled by the Conservatives, supports the proposals when he criticises them; however, the reality is that Eastleigh borough has pursued a policy that, for all the reasons that I gave, is at odds with the idea of plonking a new town in the area. Those reasons were enumerated in the IPPR report, part of which deals with our concerns about the Government's inability to meet infrastructure need.

Local councils fairly elected by local people are the best judge of their own circumstances. The top-down approach of setting regional targets that are filtered by the counties to the districts is a recipe for unaccountable and inappropriate decisions. The real problem is that councils do not have the necessary instruments to balance the interests of new and old residents. In Eastleigh, for example, the council's ability to support public transport has been limited. We have had much development during the past 30 years, but we are the constituency with the 26th highest rate of car commuting in the country.

We have been repeatedly promised by the Conservative-controlled county council, not least by the hon. Gentleman's friends there, that its top priority for the county is the building of the Chickenhall lane link road, which would divert traffic around Eastleigh town centre. Yet, proposals have still not been drawn up, let alone investment made to allow the project to progress.

Many of my constituents are bedevilled by problems from the lack of investment in water infrastructure. They were outraged when we discovered this year that nearly half of the sharp increase in the water rate was being levied to pay for capital improvements in the Thames Gateway area in Kent. That seems extraordinary when there are massive gains to be had from granting planning permission for greenfield developments in that area. They should be made available to pay for the infrastructure costs of new developments, rather than the costs falling on the residents of Eastleigh and other parts of Hampshire.

The Barker review found that a hectare of farmland selling for £7,534 could be worth £1,230,000 once planning permission has been granted. There is no way, short of developers' contributions negotiated under section 106 of the Town and Country Planning Act 1990, that a local authority can capture that uplift, even though it is created entirely by the authority and not by the developer.

The problem is even wider than that, because a local authority may invest in new schools, parks, public transport, leisure facilities, or youth facilities, and find that the value of nearby property rises. Yet it will be able to capture none of the increase in existing property values unless there is a proposal for redevelopment.

A major step forward would be to restructure the business rate so that it was based on the value of the land rather than the building on it, and hand it back to local authorities. Local councils would then be able to capture a substantial part of the uplift in values to the benefit of the local community, and local authorities would have the incentive to invest in facilities that the local community wants, which are woefully inadequate.

We have landed in the worst of all possible worlds. Local authorities have not been given the instruments to reach acceptable trade-offs between development and quality of life for local residents, and as a result they can too easily fall in behind the nimby tendency and ignore local housing needs. The Government then decide that even the small amount of discretion left to local authorities is too much, and that they should dance to a centralised tune of housing targets set by the Deputy Prime Minister and the Whitehall official in the county at Winchester. That in turn increases further the sense of disconnection between local communities and the body politic. It is a vicious circle that needs to be broken by handing back powers to local authorities to make decisions on behalf of local people. In that respect, Hampshire is but a microcosm of the failure besetting an over-centralised system.

In most countries in Europe it would be regarded as extraordinary for a national Parliament to debate a matter that should properly be regarded as local. The sooner we empower our local communities again the better the results will be, not just for local residents who need homes, but for our democracy.

10.9 am

Sandra Gidley (Romsey) (LD): I congratulate the hon. Member for Fareham (Mr. Hoban) on securing this timely debate. I welcome its tenor, in that not too many party political points have been made. I only wish that that were the case at local level.

A huge amount of housing is suggested for the south-east: 122,000 new homes over the next 20 years, equivalent to more than 6,000 a year. The constraints in respect of Hampshire itself, with its national park and the forests of Bere and Eversley, mean that housing numbers have been unfairly concentrated on certain areas. The PUSH alliance has been referred to, and there is a growing sense of unease in many quarters; there seems to be a vision of a huge housing conglomeration along the south coast.

At a very local—parochial—level, it has been somewhat amusing to see the crocodile tears shed by certain Conservative councillors, who do not seem to acknowledge that they are in control at SEERA; they have, to a certain extent, decided the housing allocations. The first ever letter I wrote to the local paper in a political context was a criticism of the then Conservative council for allowing large numbers of such developments, but that seemed to be okay at that time; we had a Conservative Government, and a Conservative-run council which had friends in the building industry. All the infrastructure problems that

have been highlighted in this debate were not addressed at that stage, and we in Hampshire are living with some of those problems today. The worst example of such hypocrisy is the case of a newly elected county councillor who is weeping crocodile tears over new housing, when as leader of Test Valley borough council he supported the development of thousands of houses at Valley Park. We are still living with some of the infrastructure problems caused by that.

Sometimes the debate becomes very simplified: "We don't want the housing, full stop." There is a lack of acknowledgement that there is a need for some affordable housing in the south-east. The suggested quota is about 35 per cent. However, that may not be enough, because we have a real problem in the south-east with first-time buyers not being able to get on the housing ladder, particularly in rural villages. We also have a problem with key workers being unable to find housing that they can afford in the area.

The villages are a particular problem. We have now reached a situation where the sons and daughters of the people who live in the villages cannot afford the housing in those villages. Many villages in the area want small amounts of sustainable development, but the planners at district level just love what is called planning gain; they want large numbers of houses so that the take from the developers is maximised. That is a flawed approach. Large-scale developments are not needed in some areas.

Test Valley borough council covers one part of my constituency. The situation there is that a decision will be taken on whether we need 2,500, 3,250 or 4,000 houses over the next 20 years. That problem is exacerbated by the fact that the borough local plan, which has just had its examination in public—we are awaiting the inspector's report—did not identify adequate housing. There was a shortfall, and there was a cop-out by the council, which said, "There will be some windfall sites, so we will have those." That has caused two problems. When the plan comes back from the inspector, there will probably be a severe threat of the inspector allocating extra housing. If that does not happen, there will be pressure from developers that cannot be controlled through the local plan process. Unfortunately, that was the result of local councillors not taking the necessary difficult decisions—perhaps the all-up election around that time had something to do with that.

There are significant concerns in Romsey that PUSH's vision seems to suggest that an obvious place for housing might be between Romsey and the urban conglomeration of Southampton. That would cause a number of problems because Romsey is a unique market town with strategic gaps separating it from other development areas, and I think that everyone in the town wants it to remain so. The Romsey and District Society's planning sub-committee chairman, Chris Amery, said:

"We want to defend Romsey's unique character and an independent and vibrant market town. That means above all keeping its geographical expansion to an absolute minimum and preserving clear southern and eastern boundaries. That way we best preserve its character and its traditions and its attractiveness as a centre for all the neighbouring villages. It's very difficult to see how 2,500 homes could be accommodated and very difficult to envisage any more than that."

He added:

"If Portsmouth Fareham"—

I am not sure that this applies to Fareham—

"and Southampton want to grow their economy faster that's fine but Romsey should remain a market town and not become a dormitory for them. Build the houses near jobs."

That seems a sensible approach for sustainability.

My constituency also covers Chandler's Ford, which is part of Eastleigh borough council. My hon. Friend the Member for Eastleigh (Chris Huhne) has already referred to many of the problems there, but Chris Tapp, the council's chief executive, pointed out in a letter that the government process is dominated by the need to identify new housing numbers and perhaps potential sites at individual district levels at this stage. He described that process as "fundamentally flawed" because, as has been said, there has been no robust appraisal work on issues relating to transport, sustainability, environment and delivery. He said that it

"anticipates certainty where there cannot yet be"

any.

A recent motion from Eastleigh borough council called on Hampshire county council to refuse to put forward those numbers and called on SEERA to do the same. While generally supportive of the PUSH approach, it stressed that it should be focused on Southampton and Portsmouth by improving transport corridors and a balance of growth for each city to the west and east and noted that the consultation proposals do not achieve that. It also restated its commitment to south Hampshire's green belt to prevent the towns and villages merging into a Solent city and called on the county council to support a south Hampshire green belt in the plan for the south-east.

When considering some of the infrastructure problems, one of the frustrations of many local councils and even residents is that when deciding housing developments the question of schools, roads and surrounding facilities such as doctors' surgeries are always raised by the public because they want to know how existing services will cope with the strain. The planners' automatic answer is always that that is not a planning issue. If we are going down the road of more housing, that should become a much stronger planning consideration.

There are severe reservations in many parts of my constituency about numbers. The Hampshire wildlife trust has said that Hampshire has unique areas of considerable benefit and diversity. It seeks reassurance from the Government that appropriate assessments under the Conservation (Natural Habitats, &c.) Regulations 1994 will be undertaken in relation to plans for urban growth in the vicinity of the most important wildlife sites. Given the diversity in Hampshire, that is an important consideration.

I am pleased that we have had this debate. I look forward to the Minister's reply; clearly, a lot of questions need to be answered. In the meantime, a bottom-up approach, rather than a top-down imposition of housing numbers, would serve most of our communities much better than the Government approach.

10.20 am

Sarah Teather (Brent, East) (LD): I, too, congratulate the hon. Member for Fareham (Mr. Hoban) on securing the debate. It has been very interesting, and there has been a surprising amount of cross-party agreement, despite a bit of cross-party bickering.

The hon. Gentleman spoke about the need to ensure that building development does not run ahead of infrastructure development, and about the need to upskill the local economy, rather than just relying on drawing people in from outside. The hon. Member for Basingstoke (Mrs. Miller) spoke about the pressures on transport when many people come into an area without making sure that infrastructure is in place. My hon. Friend the Member for Eastleigh (Chris Huhne) spoke about pressures on housing in his constituency, the good record of Eastleigh borough council on developing new homes on brownfield sites, and the need to build around existing urban centres. My hon. Friend the Member for Romsey (Sandra Gidley) pointed out that there have been long-term problems in the area as a result of development lacking the infrastructure that goes with it.

Few of us who went home by tube last night can have failed to notice Shelter's powerful advert when walking on to the escalator. It points out the terrible problem of overcrowding in this country, particularly in the south of the United Kingdom. It showed a striking image of an overcrowded family in the Chamber of the House of Commons. As one goes into the tube station, there is a whole set of images and adverts reminding us what a lack of housing means for real people's lives.

All of us here are signed up to the need for more homes; the questions about that are how, what sort, when and where. That is what the debate has really been about. My hon. Friend the Member for Eastleigh spoke about pressures in his constituency, and the need for much more affordable housing. What has happened in the area is a classic example of what happens when there is a top-down approach, and when local people have very little discretion in deciding what should be built where and in what order. That adds to the real sense of frustration with the fact that no one is really accountable.

Who do local people get in touch with when they are unhappy about how development happens? It is not clear who is responsible, because people are overruled by higher levels of authority, going all the way up to the ODPM. My hon. Friend spoke with great frustration about a battle that was going on for a new town, and the fact that the ODPM overruled the decision taken locally, although there had been a great deal of support for that local decision.

Why do people oppose the development of new homes? There are two reasons: because they cannot see the benefit to themselves and because they can see the cost. If we are to put new homes in place and deal with the housing crisis, we have to tackle both those problems. People in Hampshire know very well that their young people cannot afford to buy a property, and they know that many people live in appalling housing conditions and that something needs to be done. But they see many new developments of four-bedroomed executive homes that are targeted at people coming in from outside the area, not at local people who need affordable housing, particularly in the social rented sector.

As all hon. Members have said, the real reason why people fear new development is lack of infrastructure. They have already seen that, without infrastructure being put in place, new development creates pressure on existing services. New communities cannot be developed simply by building new housing. In fact, just putting in new housing without all the other things that communities need is the way to destroy communities, not build them. We need roads and transport links. We need doctors' surgeries, schools and community centres. Are the Government proposing to fund that infrastructure, and if so, how? As other hon. Members have said, there is also a need to boost the economy locally. South Hampshire, in particular, is economically underperforming. What are the Government doing to upskill local people, to ensure that its economy is developed internally.

We have seen what happens when new towns are plonked into an area: they are among the 50 per cent. of the most deprived of local authorities and all but two of them are more deprived than the counties in which they reside. That is the reason why Eastleigh borough council has argued that the development needs to happen around existing urban centres. Building on greenfield sites always causes great controversy and concern.

The Government are still not taking the issue of empty homes seriously and they still have not responded to the consultation on empty property management orders. They have dragged their feet on producing that kind of secondary legislation. There are 83,000 empty properties in the south-east—an estimated 11,000 in Hampshire. Such action will obviously not solve the whole problem, but it would make some impact on the problem in Hampshire.

About 1 million residential units could be created in empty commercial space above shops in the UK. Many of those would also be in the south-east. The Government still have a kind of perverse incentive to build on greenfield sites, rather than brownfield ones, given the tax system. When will they consider harmonising VAT to deal with that issue? It would make so much difference in terms of bringing empty properties back into use.

I have been asked to keep my remarks relatively brief, so I shall leave considerable time for the Minister to reply. People in Hampshire, as in many areas, feel that the Government are not taking their concerns seriously. People do not want development to run ahead of infrastructure. They want homes that will meet local need for local people, because that is where the real pressure is.

10.26 am

Mr. Robert Syms (Poole) (Con): First, I declare an interest in a family property and building company, which is listed in the Register of Members' Interests.

I congratulate my hon. Friend the Member for Fareham (Mr. Hoban) on securing today's debate. I suspect that if there is to be a theme throughout the Parliament, it will involve many Members from areas that are being encouraged to grow by Government diktat asking the Government for guarantees and reassurances about infrastructure.

The hon. Member for Brent, East (Sarah Teather) made a good speech; I did not disagree with anything in it. She made the good point that people examine the

benefits and costs of development and they think that it is something done to them rather than with them. Although one would not expect any national Government not to have a view about housing growth and a national strategy, the balance that we have is altogether wrong.

Local councils and local government should have a larger say in what happens to them at local level. That is a policy on which we fought the last general election. Unfortunately, we were unsuccessful, but there needs to be a proper balance in the decision making and public policy area, so that local communities have rather more say.

I have great sympathy for Hampshire county council, which is essentially instructed to try to deal with the demands from central Government. A total of 122,000 new homes, with 80,000 in the south Hampshire area, which my hon. Friend mentioned, is a lot to accommodate for a county that has grown substantially over the past 20 or 30 years.

I acknowledge that for a lot of that period we had a Conservative Government and that some of the concerns that people have about the level of growth are to do with the fact that past development has quite often led to problems of a lack of resources, decent roads, doctors' surgeries and schools. This morning, we heard a litany of concerns that infrastructure has not yet caught up with the development that there has been over the past 20 years. A £1 billion deficit was cited. Therefore, there is bound to be great concern when people look ahead and see proposals for new towns and substantial growth. They will be concerned about what that means for them and their immediate local community.

The starting point for this debate is what has and has not happened in the past in terms of infrastructure. We have to be concerned about the level of future development. The South East England regional assembly and the eastern area commissioned Roger Tym & Partners to examine the infrastructure costs of development. The first report, which covered the south-eastern and eastern counties, recognised that the level of housing development expected by the Government would need £45 billion of infrastructure. It identified with that a deficit that is already about £8 billion, and that does not take into account all the transport schemes that will be needed. My hon. Friend mentioned transport; a lot of what we have to discuss when housing is built in an area are the roads, railways, buses and so forth that are needed so that people can move around in that area.

The south-eastern counties are keen to make their views about the real costs of development in their counties known to the Government. I hope that the Minister will say that there will be a proper dialogue both with SEERA and with the county and borough leaders from the south-east, to ensure that there is such development.

Councillor Keith Mitchell is chairman of SEERA. He stated in a letter to me that SEERA had

"been at great pains to make it clear"

to the Government

"that such levels of development are conditional upon the timely delivery of the necessary infrastructure before or in parallel with the housing".

That is a key point.

My hon. Friend made it clear that if that infrastructure were not forthcoming, he would expect the Government to slow down the housing allocations, because these two developments go hand in hand; transport and other major infrastructure schemes have to be carried out before or at the same time as the major housing developments. If they are not, we will end up not with a sensible and balanced development, but with a lot of problems in the south of England.

The Government seem to be set on their course of predict and provide. It appears to me that the Office of the Deputy Prime Minister is embarking on the last great crusade of central planning. That will leave communities with real costs, unless we get assurances from the Government that the necessary investment will be forthcoming.

We recently had a debate on the Thames Gateway. Because of its brownfield sites and the nature of the development there, building in that area will be very expensive. I asked for some reassurances about the level of investment there, and the Minister reeled off some of the £6 billion investment that the Government had already committed for that development. I would hope that the Minister could clearly set out—if not today, then in a letter to the Members for Hampshire constituencies—what sums the Government have committed to underpin and sustain the development that they expect the county to undertake, because that will be a key issue for all local Members.

The south-east is a large area and, as my hon. Friend said, it is expected that one in five of the new houses will be in Hampshire. Therefore, this is a key issue, and I suspect that unless the Minister answers the major concerns of Members representing constituencies in that county, they will come back and raise them time and again. Because of the long-term consequences of not providing what is necessary to accommodate this sort of growth, many people will be queuing in surgeries and writing to Members to encourage them to have endless Adjournment debates.

Therefore, I hope that the Minister will give us answers. I hope that she can reassure us about the level of investment that is needed. I would also like her to reassure us that the development will be joined-up—that the ODPM will combine with the Department for Transport to ensure that we have proper, sustainable development.

10.33 am

The Minister for Housing and Planning (Yvette Cooper): I congratulate the hon. Member for Fareham (Mr. Hoban) on securing this debate, and on using it to raise issues that are of great importance to his constituency.

A series of important points have been raised, and I want to try to address many of them. Some of them were specifically about Hampshire, but others were more general. The hon. Gentleman and many other hon. Members raised the issue of infrastructure. The hon. Member for Eastleigh (Chris Huhne) was not the only Member who discussed planning for housing. Hon. Members also raised the issue of environmental impact, and the relationship with economic growth.

[Yvette Cooper]

However, hon. Members will be aware that I will not be able to comment on some of the points that they have raised, as they are currently subject to the planning process and the discussion around the development of the regional spatial strategies. They will know that I am not able to discuss individual proposals for strategic development areas or housing numbers, given the consultation process under way and the role that the Office of the Deputy Prime Minister and the Secretary of State play in the planning process. However, I shall try to address as many of the points as I can in my reply.

First, we need to be clear about the need for new homes in the region. During the past 30 years, there has been a nationwide 30 per cent. increase in the number of households and a 50 per cent. drop in new house building. The south-east has been particularly affected; the ageing, growing population means that building rates there have been at about 75 per cent. of the assessed need.

Faced with that gap between growing demand and constrained supply, it is not hard to see why house prices have risen so significantly in the south-east and the impact that that has had on affordability. There has been a big drop in interest and mortgage rates as a result of decisions made by the Bank of England, and steady economic growth has improved people's standard of living and incomes. Nevertheless, affordability is a serious problem for many across the south-east because of the tight housing market.

The impact will perhaps be even more serious in future. Currently, more than 50 per cent. of 30-year-old couples can afford their own homes. Some of the initial analysis done as part of the response to the Barker review suggests that during the next 20 years, at the current rate of building, that could fall to nearer 30 per cent. We should not be denying the next generation the opportunities that we have enjoyed, nor should we say that the only people who can afford to buy their own homes should be the sons and daughters of those who have owned their own homes—people in a position to inherit money for their deposits or get that first loan from mum and dad to help them on to the housing ladder. Such projections are particularly strong for the south-east.

As hon. Members will know, the children of existing residents in Hampshire face the greatest pressures; people moving to Hampshire from London or other parts of the country tend to be higher-skilled and have higher purchasing power, and that pushes up house prices and the pressures for those who have grown up in the area. Having lived in Hampshire for many years, I know a lot of people with whom I was at school who have struggled to afford their own homes, but have managed to buy them. However, their children will face far greater pressures unless we recognise the pressures on housing and the need to build more new homes in response.

The hon. Member for Eastleigh powerfully set out some of the pressures around homelessness, and there are certainly pressures around overcrowding also. Obviously, those are felt particularly in London, but it is certainly true that pressures for affordable housing are felt across the south-east as well. We have been clear that we need more affordable housing; we need to increase the building of such housing across the region. We are already spending £700 million over the next two years on increasing affordable housing in the south-east and we also need to build more intermediate housing—shared equity housing, housing that supports key workers—as well. However, we also need to recognise the need for new market housing, otherwise we shall deny people the opportunities for home ownership and for getting a foot on the property ladder that we have had. That is why it is important that local authorities, MPs and other stakeholders in the area work to address that problem.

The right hon. Member for North-West Hampshire (Sir George Young) said that it is not fair because the pressure comes not from individual local councils but the ODPM. The reality is that the pressure is coming from the next generation of people who need their own homes: from the demand for housing. We all have to address that; we cannot simply put our heads in the sand and walk away from those pressures—that would be hugely irresponsible. That is why PUSH is so important; it is about local authorities coming together to try to address long-term housing need and looking at how to work in partnership—local government and national Government together—to address the real pressures from housing need.

It is easy politics for individual Liberal Democrat councillors and Conservative councillors to blame each other, and, every so often, to turn around and blame us. That is the nature of political debate. However, the real tension is not between individual areas or local and national Government, although it is easy to make it into such an argument. Our real challenge for the future is how we balance the interests of the current generation with those of future generations that need more homes, but do not have a voice in the process to say that they need more homes, whether through local or national Government.

We need to accept that the challenge of providing new homes for the next generation is not just about how we manage housing growth and face its difficulties, but how we can make the most of the opportunities, particularly economically. The hon. Member for Romsey (Sandra Gidley) referred to the need for economic growth and to promote jobs in the same areas in which new homes would be built so that we avoid dormitories. We should be building communities not dormitories and looking at long-term, sustainable economic growth alongside housing growth. That is important and the reason why many in the Thames Gateway have embraced the prospect of new homes and new housing growth. They see it as following on from an economic regeneration that is about economic growth, the opportunity to attract new businesses into the area and to use infrastructure investment not only to support new homes but skills, and to attract investment. That is why the business community in Milton Keynes has supported growth in the area; it regards it as an opportunity to address its approval pressures and support economic growth.

It is important to regard PUSH as being able to deal with the fact that the area is not meeting its economic potential. It has huge potential to attract business and investment, and to improve skills in the area. The area must embrace that economic opportunity alongside the

need for new homes. The Government are keen to work locally with those who want to develop an effective partnership in respect of the need for new homes and economic growth. We want to have greater discussion with those areas that are committed to supporting increased levels of new housing and consider how that can be linked with economic strategies.

Hon. Members have raised a series of issues that concern infrastructure. We have already invested substantial additional sums into new infrastructure throughout Hampshire and the south-east. We must regard infrastructure as being not only about transport, which is often easy to do given that it is about the roads that will enable people to go round and past new housing developments, but about health and education. The hon. Member for Fareham cited examples in his constituency and referred to GPs' surgeries and schools. Infrastructure must be about community facilities and skills. Cultural and leisure facilities might be needed in an area. We should not underestimate the need for wider infrastructure to support the sustainability of local communities into the future.

As I said, we have invested considerable sums in expanding public sector infrastructure across the board, particularly in areas for affordable housing. We must also recognise that congestion pressures and demand determine whether there is housing growth. Many areas throughout the country face increasing congestion pressures that are related not just to the number of homes, but to people's increased demand. That is why the Department for Transport has been clear that the long-term way in which to deal with such matters is not only to build more transport infrastructure, but to recognise existing infrastructure pressures and consider demand management.

In the Hampshire area, the Solent transport group has been working with PUSH to draw up common transport strategies. That is important, and there must be a co-ordinated and strategic approach to the consideration of demand management, the need for new investment and sensible prioritisation.

In December last year, the Government announced £950 million during the next three years for investment in south-east transport schemes of local and regional importance. The Highways Agency investment programme includes two schemes to improve the M27 totalling £78.3 million. Construction is planned to start by 2008.

On the railways the south-east is already the beneficiary of a £1 billion power upgrade and train replacement programme, with more than 2,000 Electrostar and Desiro electric train carriages being introduced, and a third-rail power supply upgrade throughout the region. The total project has cost more than £2.7 billion. A lot of additional infrastructure investment is going into the region.

The hon. Gentleman asked what happens if infrastructure is not in place. He knows that the Highways Agency already has powers over the planning system. Planning applications throughout the country often do not go ahead, because the Highways Agency is not satisfied that the appropriate infrastructure is in place, or the solutions to the pressures on the road network have not been properly addressed or resolved.

Looking to the future, we must consider how we address infrastructure pressures throughout the country and those that will occur in growth areas. That is why we have considered the different proposals in the Barker report about how we fund future infrastructure. The Barker review proposed a planning gain supplement, which we are considering. Hon. Members may also be aware that Milton Keynes and Bedford, which are in growth areas, have considered other ways to try to raise more investment for infrastructure, such as tariffs.

Sarah Teather: When does the Minister expect to report on those considerations?

Yvette Cooper: We have said that we shall reply in full to the Barker review by the end of the year. Relatively shortly, we shall be able to say more.

Sarah Teather: Will that reply include any particular proposals about planning gain supplement, planning tariffs or land tax?

Yvette Cooper: We expect to say something about the Barker proposals, including planning gain supplement, ways of raising resources for infrastructure and the need to ensure that we get the right resources into local areas. It is hard for me to respond in any detail, but we intend to say more before the end of the year. We take seriously the need to address the infrastructure that underpins communities throughout the south-east.

I want to address planning for housing and whether it would have an impact on how the developments took place. The hon. Gentleman said that the problem with planning for housing is that it has a market trigger. The way in which he described it was based on the Barker review proposals rather than the proposals set out in "Planning for Housing Provision". In that document we are clear that the planning system must be much more sensitive towards the housing market. There are areas where there is a considerable gap between the demand for and supply of housing. That is not taken into account sufficiently by the planning system, in terms of considering the need for housing during the next five, 10 or 15 years.

We also said that the approach needed for high-growth areas such as Milton Keynes and the Thames Gateway should be different from areas where growth should be constrained perhaps because of environmental pressures or neighbouring areas where there is low demand and other problems. I am happy to discuss the matter further with the hon. Gentleman but the position he describes in his speech is based on a misunderstanding of the way in which planning for housing proposals works.

Hon. Members raised other infrastructure issues concerning schools and health, and we have worked with other Departments to set up arrangements. For example, we have worked with the Department for Education and Skills so that local education authorities in exceptional circumstances of high growth in pupil numbers can apply for additional capital support to ensure that schools are in place to meet needs. We have worked with the Department of Health in order to ensure that its funding approach takes account of planned increases in population in the future rather than responding to an increase after it has taken place. We are clear about the need to support infrastructure.

[Yvette Cooper]

Hon. Members have recognised the need for housing growth and the need to address the housing pressures that we face in Hampshire and other parts of the south-east. They have made important points about the need for infrastructure that we recognise and are keen to support.

Mr. Hoban: In the time left, would the Minister elaborate on how the mechanism—the interaction between infrastructure provision and housing development—works? That represents the nuts and bolts of the argument. How will they work together in tandem so that the infrastructure is delivered on time and in line with the housing that is built in an area?

Yvette Cooper: As I have said, there are already checks in place within the planning system, such as the way in which the Highways Agency operates regarding roads infrastructure, preventing planning applications from going ahead if there are no appropriate solutions to the pressures on the roads. That is the case in many parts of the country.

We are working very closely in partnership with the areas where the highest levels of growth are taking place to ensure that there is additional support for the particular infrastructure that they need. We are able to ensure that that includes, for example, support for new hospital developments or in the Medway towns, for example, a new university. The projects that are receiving infrastructure support are not limited to roads, where the issues can involve demand as well as the appropriate type of infrastructure.

We are keen to talk further to those who are strongly committed to increasing the number of new homes to meet housing needs and to make the most of economic opportunities. We are keen to work more closely in future with individual areas that want to support higher levels of housing growth, compared with what they have experienced. This is an opportunity for many of those areas and we must not underestimate the importance of linking it with economic strategies for the areas. It should include the regional development agency's strategy and more local economic strategies, too. Too often in the past, there has been failure because such strategies have been seen as just regarding housing growth, rather than broader economic strategies of which housing growth is an important component.

Sarah Teather: Will the Minister refer to the points I raised about empty homes? The ODPM has closed the consultation on empty property management orders. When will the Government respond to that consultation? It is an issue that many agencies feel will make an enormous impact on dealing with the empty homes problem. As I said, that problem exists particularly in the south-east.

Yvette Cooper: The hon. Lady is right. We want to bring in the empty homes dwelling orders as rapidly as possible because there is a significant opportunity for local authorities to take action on empty homes in their areas. We also need to consider what support and advice should be available for local authorities so that they can make the most of those powers and use them appropriately. We shall respond shortly to the consultation.

We should recognise that there has been a 10 per cent. drop in the number of empty homes during the past eight years, but the real issue that has to be addressed is the number of homes that have been empty for more than six months. The number of homes that are empty for less than six months will be heavily affected by the market at the time. The important thing about the new powers for local authorities is how they can be used for those properties that have been empty for a longer period of time when action could be taken to make them perfectly habitable.

Hon. Members have raised a series of important issues. I have tried to respond as far as possible and we will say more on some of the broader issues raised as part of the Barker review. I leave hon. Members with the assurance that we are keen to work with local authorities who are committed to supporting the new homes that we need, both through further debates on infrastructure and longer term planning to support their economic strategies. We have to take seriously the needs of the next generation; we cannot simply walk away from the housing pressures that we face. We need to respond in the most sensible way possible.

10.55 am

Sitting suspended.

European Energy Policy

11 am

Mark Lazarowicz (Edinburgh, North and Leith) (Lab/Co-op): I begin by declaring as an interest the support that I have received from the Sustainable Energy Partnership in connection with the development of my private Member's Bill, about which I shall say something later.

I am glad that my name came out of the hat to allow me to hold this debate today. I want to speak on this subject because of a number of key decisions and choices that will have to be made at European level over the next few weeks and months about renewable energy and energy efficiency. First, there will no doubt be a discussion at the Energy Council meeting on 1 December about the proposed directive on energy end-use efficiency and energy services. I presume that my hon. Friend the Minister for Energy will lead for the UK and will chair the Council, in his role during the UK presidency. Secondly, we are at a key stage in the consultation on the European Union's Green Paper on energy efficiency.

Finally, I thought that it would be useful to say something about the recent meeting in Edinburgh of parliamentarians from across Europe—both from member states and from the European Parliament. They met under the auspices of the European Forum for Renewable Energy Sources. My hon. Friend the Member for Morley and Rothwell (Colin Challen) and I were among the Members of Parliament who attended that meeting. There were a number of points that I thought it would be useful to bring from that meeting to this debate. There are also one or two other matters that have a bearing on the subject that I hope to raise if there is time.

The background to the debate is that Europe is strongly dependent on imported fossil fuels, and that dependency is increasing. The European Commission estimates that, by 2030, 90 per cent. of our oil and 80 per cent. of our gas will be imported from outside Europe, at increasingly high prices. There are immense opportunities in Europe for renewable energy and greater energy efficiency. Among other things, our geographical position means that we can utilise extensive wind and wave resources. That is particularly true of those of us in the north-west of Europe—particularly those who represent constituencies in the north of the United Kingdom.

Wave power has a particular advantage in that it can provide a relatively constant source of energy. However, the apparent disadvantage of wind power in that respect should not be over-emphasised. The more widespread throughout Europe wind power devices become, the more possible it is for wind power to provide a more constant source of energy at European level. To put it simply, if the wind stops blowing in one part of Europe, it is likely that it will start blowing elsewhere. If more wind power devices are installed at European level, and there are proper grid connections and interconnectors, some of the local peaks and troughs can be evened out. Europe also has the potential for big increases in biofuels and biomass power, and, like the rest of the world, we have the opportunity to draw on solar resources.

We also have the potential to make big savings in energy use by increasing energy efficiency. The Commission's Green Paper suggests that Europe could save up to €60 billion a year by tapping into our existing energy efficiency potential. Although European countries are relatively energy efficient compared with many other industrialised countries, it is worth bearing it in mind that Japan is already twice as energy efficient as the European Union. There are examples elsewhere in the world that can encourage us to do more. The European Union is falling short of its existing targets for renewables. It is appropriate, in light of today's debate, that yesterday the Minister for Climate Change and the Environment launched the second European climate change programme and accepted that more had to be done to ensure that we reach energy efficiency and other European targets.

For the sake of convenience, I shall refer simply to the draft directive as the energy services directive. A debate has been taking place among the institutions of the European Union—the Parliament, the Commission and member states in the Council—about whether there should be mandatory, measurable energy savings targets. The subject will be discussed at the Energy Council in a few weeks' time, and the hope is that the debate will lead to agreement between the various institutions on a suitable directive.

There is a strong case for mandatory, measurable energy efficiency targets. I am sure that the Minister for Energy has discovered since his appointment that much of the debate about energy and environmental policy seems to rotate around targets, whether national, European or international. The debate is between those who want as many compulsory targets as possible, and those who fear that the adoption of targets could be a substitution for policy rather than a means of achieving results.

I accept that targets are not the be all and end all of policy, and that there is no point in adopting targets just for the sake of it, but we should bear in mind that the adoption of targets in energy and environmental policy has been effective in driving policy nationally and internationally. The binding targets of Kyoto, and the targets adopted by national Governments such as our own, have ensured the political momentum to bring about the national policy changes required to reach them. In our own country, the apparent falling back from previous good progress on our Kyoto and domestic targets has caused some embarrassment and will create pressure for further policy changes to put us back on track. There is a strong case for mandatory targets as part of energy efficiency policy. It should also be borne in mind that many member states fail to reach non-binding target, for example, in the promotion of biofuels.

Setting mandatory targets for energy efficiency would not centralise policy in the hands of what the Eurosceptics would call Brussels bureaucrats but is, in fact, a necessary counterpart to giving member states an opportunity to choose how they will achieve energy efficiency. If we accept that Europe should not impose in detail the method by which each member state achieves the targets, the corollary surely must be that we at least set targets to which we contribute through the policies that we regard as appropriate in our own member state.

[Mark Lazarowicz]

Can the Minister tell us what progress is being made in reaching agreement on the energy services directive? What is the position on mandatory energy efficiency targets, and what position are the Government advancing on them? I also ask him to consider the case for mandatory targets. If we do not adopt such targets, what other measures has he in mind to achieve the objectives of the energy services directive?

Mr. Bernard Jenkin (North Essex) (Con): We are grateful to the hon. Gentleman for applying for this debate and I congratulate him on obtaining it. How does he think mandatory targets should be enforced, and what penalties should be used against members states that fail to meet those targets?

Mark Lazarowicz: Ultimately, as with any mandatory European provision, the offending state can be brought before the European Court of Justice and required to take measures to ensure implementation. If necessary, it can be penalised for not complying with those mandatory requirements. The normal result, as the hon. Gentleman is aware, is that members states eventually comply with mandatory requirements. It is important not so much to concentrate on what happens at the end of the day if member states do not comply with their requirements, but to ensure proper monitoring of their compliance with requirements. That is the area on which we should concentrate our minds.

Colin Challen (Morley and Rothwell) (Lab): Might not the proper enforcement of emissions trading schemes be a way of helping nations to achieve mandatory targets? If they did not achieve their targets, they would have to pay a financial penalty.

Mark Lazarowicz: That could well be one way of enforcing targets, and it emphasises that we are discussing not just one set of measures, but a whole portfolio of measures, all of which must be put into operation to allow us to reach European targets. Those are ambitious, but we all want to reach them.

On the energy services directive, a specific point has been drawn to my attention by the consumer organisation Energywatch. It has pointed out at a number of forums the advantage of smart meters both to consumers and for energy efficiency. They show clearly the amount of energy being consumed and thereby encourage consumers to use energy in the most efficient way. Plenty of research has been carried out, which I cannot go into today, on the savings that such meters can bring consumers and the energy savings that can be made. Energywatch pointed out that the current draft directive on energy services includes a provision to ensure that consumers are given information on their energy consumption regularly enough to allow it to influence their energy use. Such a provision will encourage smart metering and that, in itself, will be a worthwhile outcome of the directive when it finally goes through the European process.

The second debate taking place on European energy issues is on the Green Paper on energy efficiency, which was launched by the Commission just before the summer. It is an excellent document, which makes pointed observations on the opportunity for Europe if we make use of energy efficiency. In his introduction, the commissioner said that Europe could, relatively easily, save 20 per cent. of energy consumption by 2020. Half of that could be saved simply by member states effectively implementing current European measures on energy efficiency. Although making an additional 10 per cent. of energy savings is a challenging task, it is certainly by no means impossible. It is to be welcomed that the Commission recognises the importance of energy efficiency throughout the European Union.

I urge the Government to be proactive in support of the Commission's proposals. I would be interested to hear the Minister say how the Government intend to respond to the Green Paper, and how they will ensure that Departments, local government, businesses, trade unions and NGOs are involved in the debate. The Commission has rightly said that such a debate is essential to ensure that, if we adopt such a programme, it is effective and reaches what are undoubtedly ambitious but necessary targets. Given the time left to me, I shall say no more on that now, but I would be interested to hear the Minister's comments on how the debate on the Green Paper can be taken further.

I referred to the meeting that took place in Edinburgh a few weeks ago. I understand that other hon. Members may make reference to it later. I simply want to highlight a number of the points made at that meeting, and I would be interested to hear from the Minister an indication of the Government's position on the important matters discussed.

The meeting of parliamentarians pointed out that the fossil fuels on which we rely—oil, gas, coal—will all run out sooner or later. Uranium will also eventually run out. That emphasises the importance of adopting policies that promote renewable energy and energy efficiency. The conference pointed out that more than 300,000 people work in the renewable energy sector in the European Union. That industry has an annual turnover of more than €15 billion, so it is already big business in Europe. It is important that we take further the opportunity of developing that business, and to make sure that we in the UK get the maximum potential from it.

The parliamentarians in Edinburgh also called for a mandatory target of 25 per cent. renewable energy consumption by 2020 in the European Union. I would be interested to know the Minister's views on mandatory targets for renewable energy. I can see arguments for and against them, but if we are not to have mandatory targets, we certainly need a suggestion of how Europe can get together to ensure that we reach our full potential in the field of renewable energy.

The European parliamentarians also drew attention to the need to promote renewable heating and cooling in Europe. Renewable sources have an immense potential to provide for our needs for heating and, increasingly, for cooling. With climate change, there is a need for cooling in ever greater parts of Europe. I urge the Government to consider the advantages of a European directive to promote renewable heating and cooling. I know that before the Minister came to this Chamber today he was involved in responding on initiatives that the Government are taking in that field. Perhaps that is a point to which he can refer, as he is fresh from his earlier meetings.

My final point relates to a particular constituency interest, but it has much wider implications for renewable energy policy, both in the UK and at European level. In my constituency are the headquarters of a company called Ocean Power Delivery Ltd. It is at the forefront of the development of wave power in the UK and Europe, and it recently won a contract to supply, in Portugal, what will form the heart of the world's first commercial wave energy farm. It has had considerable support from the Department of Trade and Industry in developing its technology.

I know that the company is very grateful for that support, but it is now waiting for a decision on support for the next stage in the development of its technology. The decision making has been fairly slow. That company, along with others involved in the sector, is still awaiting the announcement of a decision on how the marine deployment fund, which was announced by the Government last year, will be allocated.

I understand that decisions on the applications to a fund are currently delayed as a result of the European Commission's state aid approval process. It is certainly not a good example for European policy in practice if Europe adopts bold policies on renewable energy but individual companies find that there is a lengthy process for getting approval to take their technology projects forward.

I make that point because the fear is that if we in the UK do not take the opportunities to support the growing wave power technologies that are now being developed on a commercial basis, those technologies and the companies will move elsewhere. They will move to countries such as Portugal, which will get the benefit of technology that we have developed in the UK.

We must bear in mind what happened with wind power. Britain was at the forefront of technology in the 1970s, but we lost our opportunities, and countries such as Denmark developed multibillion-pound industries with many thousands of employees because they seized the opportunities that we did not. We must ensure that we do not make a similar mistake with wave power, where we have particular advantages because of our geographic situation.

I know that what we are doing in the UK is widely respected throughout Europe, so I hope that the Minister will give some indication—it might not be today—about what is happening on the decisions on the marine deployment fund. I urge him, in his role in the Energy Council, to ensure that European approval processes do not unduly delay decisions on applications by OPD and other companies, so that the technology can be taken up by the industry in the UK and elsewhere.

Europe is at the forefront of both renewable energy and energy efficiency, but we should not be complacent. Some countries are doing better than we are at energy efficiency. Although we can currently point to some of the growing economies such as China and India—in due course, we may be able to point to Russia—that appear to be behind us on energy efficiency and renewable energy, we know that those countries are increasingly aware that they cannot go on with their current high energy consumption policies. If they intend to continue their economic growth, they will have to turn increasingly to renewable energy and energy efficiency.

There is an immense opportunity for us to take advantage of our lead in these fields in Europe and provide long-term employment for hundreds of thousands of people in the European Union. However, we must take the decisions soon, if not now, to ensure that we do not lose the opportunities that exist for our industry. If we do not take the right decisions quickly, we could end up making the same mistake at European level that I would argue we made at British level in the 1970s. It would be a tragedy if we did so, and I urge the Minister to ensure that we do not.

11.24 am

Mr. Dan Rogerson (North Cornwall) (LD): I start by echoing the hon. Member for North Essex (Mr. Jenkin) in welcoming this debate and congratulating the hon. Member for Edinburgh, North and Leith (Mark Lazarowicz) on securing it. For the reasons that he has given, it is an important and timely debate. I agree with a great deal of what he said, particularly on how mandatory targets can help to move things forward; I will return to that.

I welcome the discussions around the energy end-use efficiency and energy services directive. From my party's point of view it is crucial that, in their discussions about the directive and their input into it, the Government do not seek in any way to water down what is being discussed in the hope that mandatory targets can be brought in. Mandatory targets should be set at a reasonable level to encourage progress on these issues, rather than being over-draconian. They certainly have a role to play in encouraging member states to move forward.

The Prime Minister has made action on climate change a key element of the UK presidency of the European Union; he has raised it on a number of occasions, but the UK presidency is passing at an alarming rate. The Government have an opportunity to address that agenda and to claim to have taken some action on it during their presidency. I understand that there may be an opportunity to get this directive passed during the plenary session in December; that would be a great step forward. That breakthrough would give a clear signal that the UK Government have taken some significant action in their presidency.

The hon. Member for Edinburgh, North and Leith referred to the Edinburgh declaration, which represents a step forward in promoting the comprehensive and coherent European renewable energy and energy efficiency strategy that is needed. There are challenges involved in securing a strategy that is comprehensive and coherent when the inevitable negotiations have to take place at European level, and then in securing those benefits and making sure that they are applied in the member states.

The aim of achieving 25 per cent. renewable energy by 2020 is one of the mandatory targets discussed in the Edinburgh declaration. That would set a clear target for states, and if the Government were minded to accept it, it would move the debate forward considerably.

Returning to the directive, one of the targets discussed is an energy saving of 1 per cent. a year in each member state. That would lead to a 6 per cent. overall reduction by 2012; that is significant, and would help to move things in the right direction.

[Mr. Dan Rogerson]

We are also very supportive of the idea of a demand-side public sector target, because the public sector has a great role to play in showing how energy efficiency measures can be taken. My hon. Friend the Member for West Aberdeenshire and Kincardine (Sir Robert Smith) recently asked the Office of the Deputy Prime Minister a parliamentary question about building regulations. We had hoped that the Government would take a slightly more forward-looking view on that, although we are grateful that the regulations are, at least in part, being introduced.

We need to note the benefits of energy efficiency measures in terms not only of climate change and the cost savings from which we can all benefit, but of the job creation potential of exploiting the new technologies. As the hon. Member for Edinburgh, North and Leith said, in the past we have missed out on opportunities to put our country at the forefront of technologies for renewable energy and energy efficiency. There is now a great opportunity; ideas exist in our country which can be exploited. As a Member representing a Cornish constituency, I am well aware of the potential of wave power. Seeing the opportunities for that technology to be brought into play, I am particularly excited to be involved in this debate.

I also note that the European Parliament's Committee on Industry, Research and Energy has reported on renewable energy. The report unfortunately identifies certain obstacles to the exploitation and development of renewable energy. It suggests ways in which member states' Governments could do more to encourage energy efficiency. The report says that the

"market is still suffering from a number of serious distortions, such as insufficient ownership-unbundling requirements, ineffective wholesale markets, increased market concentration, large direct and indirect subsidies, no non-discriminatory access to balancing facilities like the large hydro-storage power plants, non-segregated decommissioning funds and non-internalisation of external costs."

It insists that the Commission tackle those issues in its report on internal electricity and gas markets at the end of the year. We are seeing several different initiatives. With the UK presidency proceeding to its close, it is a crucial time for the Government to take advantage of those initiatives and stamp their seal of approval on such moves.

We should call on the Commission to reform the market. We need to encourage smaller energy producers and ensure that they have access to the grid. People have contacted me saying that they are interested in microgeneration and the installation of machines in their homes to generate power, but when they investigated they discovered that they get far less for any electricity that they produce than they pay for energy that they take in. We must correct such measures to encourage everybody at every level to take advantage of renewable technology.

Some people in my constituency do not have access to the grid at all. I am sure that several other Members are in that position. Some in more urban constituencies are surprised to hear that, but I have people who are still reliant on their own generator. With the increase in fuel costs and so on, they will face a great increase in costs.

We hope that the Commission will consider ways to avoid monopolies being formed and set in stone, and ways in which financial instruments could be used to encourage the use of energy efficient technology. Several other states in the European Union have introduced measures designed to increase the take-up of energy efficient technology. In Italy, for example, electricity regulators set tariffs to promote energy end-use efficiency. In Denmark, energy distributors are obliged to grant energy counselling free of charge, and there are several other initiatives in Luxembourg, Germany and elsewhere.

There is an opportunity for the United Kingdom to take on some of those ideas and, I hope, to move forward. There is a role for some form of mandatory target, and I look forward to the directive being passed later this year, to its coming into effect and to its successful implementation.

11.33 am

Mr. Bernard Jenkin (North Essex) (Con): I am grateful for the opportunity to speak in this debate. It is welcome that we are debating this matter during the British presidency of the EU, because we must hold the Government to account for what they are or are not doing during their presidency. They said that early settlement of the energy services directive would be "a priority". I ask the Minister, what evidence is there that any significant priority has been attached to the directive?

I hope that the Government will respond to the point I made to the hon. Member for Edinburgh, North and Leith (Mark Lazarowicz) that an energy services directive with mandatory targets would require enforcement and that enforcing targets on countries that would be unable to achieve them might be difficult and pointless. We are all in favour of improving access to economically efficient renewable electricity generation at both micro and macro level.

As an aside, Miss Widdecombe, may I declare that my wife may be applying for a clear skies grant to install renewable energy in a holiday home? I was disappointed to learn that the closing date for applications under the clear skies initiative is 4 November, which is next week. There will then be a seven-month delay before the Government approve the replacement for the clear skies initiative. Here we are, talking about renewable energy and dealing with hundreds of small, even minute, businesses involved in the programme of installing renewable energy devices in people's homes and businesses, but if the Government's funding is left off the list and abolished for months on end it will hardly add to the viability of the industry and bring down the cost of equipment and installation, which is presumably what the Government want to achieve.

The Minister for Energy (Malcolm Wicks): May I briefly congratulate the hon. Gentleman's wife on her eco-awareness and suggest, without doing the means test, that perhaps the hon. Gentleman could give his wife an early birthday present and should not get too much into the grants culture?

Mr. Jenkin: That question must have been a tease. I did not think that the grants were means-tested; perhaps

the Minister will correct me if I am wrong. If grants are available, presumably, the Government want people to take them up. Renewable energy is still expensive and presumably the purpose of the grants is to pump-prime the industry, so that volumes rise and costs fall. As a UK taxpayer and citizen, my wife is just as entitled to apply for a grant as any other UK taxpayer and citizen. I am interested in the notion that the Government's policy may be discriminatory. It is an interesting philosophical point. If someone is politically indisposed to Government money being spent on uneconomic activities such as grants for this or that, is it then morally wrong to apply for them? I submit that it is not, but that is a matter for my wife and not me. I merely wanted to put the interest on the record. Although it is not declarable in the Register of Members' Interests, I am not ashamed to draw the Houses's attention to it.

What is the point of including mandatory targets in the energy services directive if they cannot be achieved? There is a great danger of believing that, if we are legislating for something good, we are definitely doing something good. In fact, the European Union is littered with evidence of legislation to achieve good things which has had adverse consequences that were not foreseen by the authors of the legislation.

Mark Lazarowicz: Although I found the discussion about the clear skies grant for the hon. Gentleman's wife's interesting, I am glad that we are back on the European energy services directive.

I accept the value of some of what the hon. Gentleman said about mandatory targets. It would be wrong to set mandatory targets that no one had a hope of achieving, but I notice that his party had a debate in the main Chamber last week to criticise the Government for allegedly not reaching their Kyoto targets. Therefore, I take it that the Conservative party does not in principle oppose binding targets, so I wonder why he believes that at some level mandatory targets do not have a role to play in energy efficiency or renewable energy.

Mr. Jenkin: The hon. Gentleman makes a perfectly valid and interesting point, but it is the Prime Minister who is now questioning the efficacy of the Kyoto treaty and its mandatory targets. The Kyoto targets are not binding in UK law. Breaching those obligations would not have the same consequence as breaching a mandatory target set under European Community law, which, as the hon. Gentleman said, could result in infraction proceedings being taken against the UK in the European Parliament.

The hon. Member for Morley and Rothwell (Colin Challen) discussed the emissions trading scheme, which is a market system for creating an incentive against carbon dioxide production by member states. It is an example of where we could have some difficulties. Up to 2012, the scheme is clear enough, but what happens then? Some countries will be hugely over-producing carbon dioxide and exceeding their allocated allowance under the scheme. It is difficult to understand how the scheme would continue on that basis—if, in fact, it does not fall to pieces before then. I could ask why we do not set mandatory targets for reducing unemployment. The answer is that some things simply do not respond to that kind of invocation.

Let me be clear. I support the objective of the energy efficiency directive. However, we must carefully consider the means of achieving it. I support the Government's opposition to mandatory targets and would be interested in hearing where they are on that issue at present.

What is the Government's response to the Green Paper, which has been out for consultation for some time? They have issued no concrete response. As the Association for the Conservation of Energy pointed out, the Minister for Climate Change and the Environment stated at the beginning of the presidency:

> "Under the UK presidency, the Government will therefore look to pro-actively encourage responses to the Green Paper as part of the wider public debate on energy efficiency which the Commission have launched."—[*Official Report*, 4 July 2005; Vol. 436, c. 4W.]

Where is the great wider public debate that the Government said they would promote during the presidency? I see no sign of it.

Lack of such a debate is yet more evidence of the Government's invisible presidency, which is how it should become known. After the fanfare of the Prime Minister's speech to the European Parliament, in which he said that he would scrap agricultural support and completely change the whole architecture of the European Union because that was the message, which he initially opposed, from the two referendums, we have heard virtually nothing from the Government about the presidency. It is likely to turn out to be the least productive British presidency in the history of our membership of the European Union.

I have several points to make about the Edinburgh declaration, to which the hon. Member for Edinburgh, North and Leith referred. I would be grateful if the Minister responded to them. First, the assumptions in the declaration are deeply flawed. Oil, gas, coal and uranium will eventually run out, but there are enough coal stocks in the world to last for more than 200 years, and more than 40 per cent. of them are in stable Organisation for Economic Co-operation and Development countries. Simply to discount fossil fuels overlooks the contribution of technologies such as carbon capture and storage. In this Chamber last week, distinguished Labour Members argued for a greater role for coal in UK electricity generation, based on the emerging carbon capture and storage technologies.

As for uranium running out, has the Minister studied the third report of the Select Committee on Science and Technology covering the period from 1988 to 1999, which was published on 10 March 1999? It refers to the mixed oxide fuel stocks in this country, and I recommend it to him. We have substantial stocks, which would, I am told, fund a nuclear electricity generation programme easily for 30 years.

If we could provide 35 per cent. of our electricity from nuclear sources for 30 years to make a substantial contribution to a reduction in our use of fossil fuels, that would seem a practical way forward; the Government chief scientist has hinted that that would be his desire. The declaration's assumption that stocks of nuclear fuels are somehow finite and low misunderstands the United Kingdom's situation.

Mark Lazarowicz: This may, if the hon. Gentleman wishes, help him to avoid going down a road that he

[Mark Lazarowicz]

need not go down. I am not suggesting that fossil fuels have no important role to play for many years to come. I recognise the opportunities for more efficient use of coal and carbon capture in relation to coal emissions. Equally, I recognise that the limited supplies of uranium do not mean that nuclear power does not have technical potential. My point is simply that we have to do more to promote renewable energy and energy efficiency, and that is where greater emphasis needs to be given at European level.

Mr. Jenkin: I am perfectly prepared to support that principle, but we are discussing the means of doing so and whether some means are as economically efficient as others at reducing our carbon dependency, which is what we are really talking about. The declaration says that nuclear power has "serious environmental considerations". Well, I do not know of any form of electricity generation that does not have such considerations.

Personally, I do not believe that the nuclear industry has any more serious environmental considerations than any other. Coal has more serious environmental considerations, unless we crack the carbon sequestration and storage problem. Modern nuclear power gets an unfair press because of historical mistakes made with nuclear generation.

We have a stock of nuclear waste and a backlog of nuclear decommissioning to deal with, and we are going to have to deal with that anyway. Even if we had 30 years of nuclear generation in addition to that of our existing plants, we would add only a tiny fraction to the stockpile of nuclear waste that we already have to deal with. The Government will have to confront that problem anyway. I do not regard nuclear waste as an insurmountable obstacle, either technically or economically. Indeed, the problem is only political and it is high time that the Government got on with solving that to allow the market to continue with nuclear power if it so wishes.

The UK energy market is heavily distorted in favour not of nuclear power or coal, but of renewable energy sources. The National Audit Office estimates that that distortion will cost the consumer £1 billion a year by 2010. It also estimates that upgrading the transmission network to allow renewable energy projects to connect will cost between £1.1 billion and £1.3 billion by 2010. Those costs do not have to be carried by the renewable energy generators that invest in a plant; they will be passed on to the consumer one way or another.

The NAO has calculated that the renewables obligation is the most expensive of the Government's policy tools for reducing CO_2 emissions, with an estimated cost of between £70 and £140 per tonne of carbon not emitted. I reckon that that is a serious consideration.

We are in favour of renewable power in principle because it generates electricity from elements in our environment, such as wind, waves, tidal power and solar. However, if the cost is as high as that, we must ask whether there are cheaper ways in which to reduce carbon emissions than by betting the ranch on the dash for wind power that the Government are going for at present. Renewable technologies are still uneconomic. The House of Lords Science and Technology Committee report on renewable energy found that

"In conventional terms, virtually no renewable source is economically competitive at present".

The hon. Members for North Cornwall (Mr. Rogerson) and for Edinburgh, North and Leith talked enthusiastically about wave power. My researches suggest that wave power is about the least economic of renewable energy sources. We are still a long way from being able to convert wave power in economic quantities of electricity. There might be an inventor with the Midas touch who will invent new technology, but at present we are very much at the Heath Robinson end of the equation. It warms my heart to see money being put into research projects in those areas, but let us be realistic: the idea that wave power will make a measurable contribution to the reduction of carbon dioxide emissions in a short time is moonshine.

Mr. Rogerson: It is strange that the hon. Gentleman mentioned inventors who are interested in wave power because a gentleman in my constituency has been in touch with me about the contribution that he hopes to make to that subject. I am sure that he would welcome the chance to get in touch with the Minister about it.

I was intrigued that the hon. Gentleman referred to renewables and cost-effectiveness, having already moved over the nuclear industry. Is he arguing that the nuclear industry has been cost-effective in its lifetime and has not pulled in huge subsidies?

Mr. Jenkin: That is a pertinent question. It definitely deserves a debate of its own, although perhaps on a different occasion—I look carefully at you, Miss Widdecombe. An increasing number of countries are going down the nuclear route. Our nuclear industry was not particularly efficient. We tended to build a different sort of power station and reactor each time. When we built reactors, each reactor had experimental elements to it; each one had to be certificated separately for safety. Each reactor had its own specifically trained work force. Let us compare that to the French nuclear reactor programme, which standardised early on one form of reactor, so that it had to license only one type. It had a much more efficient planning process. It went for volume, which brought down the costs. Given the Finnish reactor construction programme, Finland seems to have learnt some of those lessons.

The Government must develop a policy framework that is favourable to efficiency in the nuclear industry to avoid the mistakes that we made in our nuclear programmes. The industry has informed me that, given the right stimuli, the right policy framework and the pre-licensing facilities of reactor types and prospective sites, it can be economically viable. Given the substantial increase in electricity, oil and gas prices in recent weeks, months and years, the equation has moved significantly in favour of nuclear.

I commend to the hon. Gentleman a paper by Professor Dieter Helm. It concludes that a new nuclear build programme is on the cusp of viability. If the Government were minded to create the right framework to remove some of the obstacles and uncertainties, the programme would be viable. It is something that the Government should get on with as quickly as possible.

The targets called for in the Edinburgh declaration are difficult to justify. All countries apart from those that produce a high proportion of electricity from hydro—in Austria, the proportion is 67 per cent., in Sweden 54 per cent., in Portugal 26 per cent. and in Finland 21 per cent.—would have to cope with massive intermittency and grid connection problems to meet a target of 33 per cent. of electricity from renewables by 2020.

Such a rapid expansion of renewables would inevitably be focused on wind generation. I hope that the hon. Member for Edinburgh, North and Leith has visited Denmark, which generates more wind power per head of population than any other country. There, the average load factor for wind is just 20 per cent. of capacity. In Germany, E.ON Netz states in its 2005 report that the average feed into the grid from wind was just one fifth of the total installed wind-generating capacity. It reports that in order to maintain grid stability wind can displace conventional generation only to a limited extent. The hon. Gentleman said that the problem should not be overstated, but Denmark and Germany balance their grid by importing what is probably fossil fuel-generated electricity to deal with the intermittency of their domestic wind production.

To give an example, on current trends, the forecast of 48,000 MW of installed wind capacity for 2020 would displace only 2,000 MW of conventionally generated electricity; that is just 4 per cent. That is why we need to ask whether we are spending our money on the most cost-effective way of reducing carbon emissions. In reality, of course, wind generation is not a strictly carbon-free system of generation, because it requires back-up from other forms of generation.

The House of Lords Science and Technology Committee found that

"for relatively low penetrations of wind power (up to ten per cent of total demand) the additional standby capacity required is small . . . there is a law of diminishing returns: the amount of conventional generating capacity that can be displaced by intermittent generating capacity falls proportionately as the absolute amount displaced increases."

I listen with interest to the suggestion that we can take a pan-European view of the issue. I have not heard that suggestion before. We have to grapple with the concept of line loss. If one transports large amounts of electricity from one side of the continent to the other, because of a lack of wind generation effectiveness at one side and because of wind blowing on the other, line loss is a significant factor. It heats up the atmosphere, which is not a good thing; it wastes a lot of electricity; and it corrupts the frequency—that is another point that must be borne in mind. The longer the transmission lines, the more corrupted the frequency becomes. One finishes with what those in the business call dirty electricity. Dirty electricity is quite difficult to manage.

I am quite technically minded, but I have not got my mind fully around the technology of how to run a national grid. I understand that it is much like that game in which someone tries to balance lots of plates on the end of bamboo poles. The plates must all be kept twirling round, and none must be allowed to fall off, because if one starts to fall off, they all do. As we have seen recently, we only need one bit of the system to shut down for it to trigger the shutdown of other bits of the system. The whole system becomes unbalanced and automatically shuts down, and then it is difficult to start up again. It is the problems of intermittency and line loss that we must be wary of as we dash for wind in our enthusiasm for renewable electricity.

Proposals for land use plans that give priority to renewable energy sources risk local objections being overridden simply to meet centrally set targets. The Government are already riding roughshod over popular opinion in their dash for wind. For example, the Department of Trade and Industry planning inspector last week gave the go-ahead to the construction of 26 wind turbines at Romney Marsh in Kent. That was done in the face of opposition from two county councils, two district and 12 parish councils, English Nature, the Royal Society for the Protection of Birds and a host of environmental organisations. The Government have overridden serious environmental considerations in that case. I wonder whether the matter will go to the European Court of Justice if there is a challenge on environmental grounds. The decision does not comply with other European directives on the environment.

Generally, there is no established consensus on the most cost-efficient way to reduce carbon emissions. Energy efficiency has been a goal for the past 30 years, but demand for electricity continues to grow at 1.5 per cent. per year. There is little point in setting new targets at European or national level when the Government are already missing their own targets on climate change, renewables and energy efficiency. For example, they are likely to miss their 2010 renewables target of 10 per cent. of electricity consumption and their 2010 combined heat and power target of 10,000 MW of CHP. Building regulations relating to energy efficiency are being flouted regularly.

In its manifesto for the general election in May, Labour pledged to cut emissions of carbon dioxide by 20 per cent. by 2010. In spite of all the evidence that its policies to cut emissions are failing, Total CO_2 emissions for the UK in 2004 were 6 million tonnes, or 4 per cent. higher than the 2003 figure, which in turn was 1.5 per cent. higher than the figure for emissions in 2002. The chances of meeting the target of a 20 per cent. reduction are nil.

If we are to begin to change people's attitudes to energy use, which is what I think that the hon. Member for Edinburgh, North and Leith is really seeking to achieve, we need to go back to the grass roots and to the clear skies programme. We need to consider the promotion of microgeneration and to combine it with energy efficiency in people's homes and offices. Like energy-saving measures such as solar panels, small wind turbines and the use of rain water, domestic microgeneration is only just beginning to become readily available. Low volumes and the intermittency of grant support mean high prices, and planning departments and building regulations militate against the very things that the Government seek to promote. However, people who implement such measures become more and more aware of their energy usage and often make disproportionate savings as a result. The Government's disjointed approach to the matter militates against that.

I argue for enhancing and encouraging people's natural instinct to conserve—what I call the politics of the compost heap. That should be a major part of the

[Mr. Jenkin]

energy White Paper that I am urging the Government to pursue. Rather than starting at a European level, let us start at the grass-roots level, with conservation and microgeneration.

Colin Challen (Morley and Rothwell) (Lab) *rose—*

Mr. Mike Hancock (in the Chair): Before I call you, Mr. Challen, I should say that the previous occupant of the Chair pointed out that she called the Front-Bench spokesmen to reply thinking that no other Member was seeking to catch her eye, but you stood up after that and she did not have you on the list of speakers. It would normally be the Minister's turn to speak and he would have a reasonable amount of time in which to conclude his remarks. I will call you, but I ask you to confine your remarks to about five minutes. The Minister has generously agreed to that. I hope that Members will not intervene, to allow you to say as much as you want in that time.

12.3 pm

Colin Challen: Thank you, Mr. Hancock. I understood that an Opposition Back Bencher would have the first opportunity to speak after a Government Back Bencher, so perhaps I was not quick enough on my feet, although I had written in to say that I wanted to speak in the debate; I thought that would be sufficient.

I congratulate my hon. Friend the Member for Edinburgh, North and Leith (Mark Lazarowicz) on securing the debate and on his private Member's Bill, which, along with that of my hon. Friend the Member for Southampton, Test (Dr. Whitehead), addresses these issues. If those Bills go through Parliament, they will give the Government enormous powers to forge ahead with the debate.

That is extremely important because I feel that, as has been indicated in the debate, Britain has, sadly, slipped behind some of our European competitors on renewable energy. We have not taken it terribly seriously in the past. In that perhaps we are victims of our history, as an island blessed with abundant fossil fuels, but it would be a great mistake to continue down that path. The hon. Member for North Essex (Mr. Jenkin)—I have the unnatural advantage of having heard his speech, for which I apologise—seemed to indicate that the cross-party consensus forged last week might be disassembled in short order. I hope that the hon. Member for Lewes (Norman Baker) will pay great attention to what the hon. Gentleman said this morning.

We have made huge efforts to prop up the nuclear industry. British Energy is still croaking along with all the subventions that the taxpayer has contributed to it. At the European level, too, I am sad to say that there is still evidence of a reluctance to kill off this old dinosaur. For example, five times more research money is spent on looking for the holy grail of nuclear fusion than is spent on renewables, even though we know that renewables can deliver in our lifetime, not in a time frame that "Star Trek" fans would be more familiar with.

It is good to see what is being done with renewable energy in Europe, even if it is not being done on quite the scale it should be. Denmark is often cited as an example of a far-sighted country—and it is—that long ago realised it could reduce its carbon emissions, which it has, while becoming more self-reliant; it does not share our level of indigenous energy sources. Denmark developed its policy as an industrial strategy, as did Germany. Wind power has delivered a lot for Denmark, and it is now selling products to us in a fast-growing export market. It has done so with cross-party and public support. That is my major point because I have had to curtail what I wanted to say.

I hope that we can learn some lessons from the Danes because we must convince the public that we are following the right course. We cannot afford to experience any further delays. The Danish Government and opposition parties came to a formal agreement. Under the auspices of the Ministry of Transport and Energy, they have an agreement that seeks to "ensure a reliable energy infrastructure for the future". The agreement supports a draft plan on renewable energy and conservation presented by the Danish Government at the end of last year, which followed cross-party discussions during the previous six months. It contains eight commitments and although I will not go through them all in detail, I hope that the Minister will agree to examine them.

Briefly, the commitments cover measurable energy savings and how they will be delivered and monitored, agreements that will follow with suppliers, the setting up of a co-ordinating committee, effective energy labelling for buildings and so on. The agreement was signed on 10 June this year and the Danish Government are committed to presenting their detailed implementation plan by the end of November. In response to that, we could say, "We are not the Danes. We are not a small country and our histories are quite different. Our culture does not permit any such consensus." I say that we do not have time to turn our backs on good practice elsewhere in Europe and carry on battling in our own discrete little political boxes.

Finland's experience has been mentioned; it is going down the nuclear route. Funnily enough, that decision was also made by all-party consensus, but I do not think such a consensus would be achievable in this country because it is built on a proposition that our nuclear industry will not be prepared to accept. Finland has had to sell to the public the principle of how the industry deals with its waste before doing anything else. I do not think that the nuclear industry in this country is willing to accept such a principle prior to further nuclear new build. I curtail my remarks and thank you, Mr. Hancock, for giving me the opportunity to contribute to the debate.

12.8 pm

The Minister for Energy (Malcolm Wicks): Welcome to our debate, Mr. Hancock, which has been useful. I congratulate my hon. Friend the Member for Edinburgh, North and Leith (Mark Lazarowicz) on introducing this debate, and I thank my hon. Friend the Member for Morley and Rothwell (Colin Challen) for his shorter than expected but useful contribution. The hon. Member for North Cornwall (Mr. Rogerson) also made an important speech and raised one or two points that I want to address. As usual, the hon. Member for North Essex (Mr. Jenkin) spoke in a challenging way, but I would like to challenge some of what he said myself, if I have time.

The recent declaration of Edinburgh is an important contribution to the debate on the security of our electricity supplies and on how we reduce greenhouse gas emissions. It is vital that we act to reduce those emissions, because climate change is already having far-reaching effects on our planet. For example, there is some evidence that the number of strong hurricanes has increased. This year has also seen a record hurricane season in the Atlantic, although it is too early to say how much climate change has influenced this year's storms; the scientific jury is still out on that one. Even so, Katrina, Rita and, more recently, Wilma demonstrate that such storms are a major threat to even modern cities, leading to considerable loss of life and economic damage.

Although renewable energy and energy efficiency have a key role in helping us to reach our emissions target, we also recognise that fossil fuels will still have an important role to play in meeting our long-term energy needs—I agree with the hon. Member for North Essex in that respect. That is why we need to adopt, and we believe that we have adopted, an holistic approach to the problem of greenhouse gas emissions.

On 14 June, I was pleased to announce the publication of a carbon abatement technology strategy for fossil fuel use and the development of a hydrogen energy strategic framework. That includes a funding package of some £40 million for demonstration projects of carbon abatement, hydrogen and fuel cell technologies over the next three or four years. The carbon abatement technologies strategy promotes a twin-track approach: more efficient plant producing lower emissions, together with carbon capture or sequestration storage to deal with the emissions that remain.

Hydrogen has the potential to contribute to cost-competitive carbon reductions and increased energy security for transport in the medium term. Indeed, when I was in Washington recently, courtesy of General Motors, I was able to drive, albeit briefly and nervously, a hydrogen car. I was nervous because I was told that it was worth $1 million in terms of development. The technologies are moving forward and they, together with renewables and increased energy efficiency, will help us to reach our environmental and energy policy objectives.

Of course, we are continuing our support for renewable technologies through the renewables obligation and dedicated funding programmes. My hon. Friend the Member for Edinburgh, North and Leith mentioned Ocean Power Delivery and its wave energy generator. That company is in the forefront of the development of an exciting new technology and has already benefited from more than £3 million of funds from the Department to help support six separate projects. Ocean Power Delivery will be able to bid for further funding under the marine renewables deployment fund—a fund of some £50 million—for which we have just received state aid approval. That will start in January next year.

It has been noted that the biomass taskforce report was published this morning; I was at the launch. As the hon. Member for North Essex knows, we thank Sir Ben Gill for his important report, which we need to consider. Biomass is already making a contribution, albeit a small one of 1 per cent. or so, to electricity generation. We need to consider its potential.

Mr. Jenkin: Before the hon. Gentleman moves on, may I take the opportunity to comment on the outcome of the biomass report? It was reported in *The Daily Telegraph* that it

"will . . . dismiss as 'unworkable' proposals that a proportion of domestic and business heating should come from renewable sources."

That may have been garbled in the reporting. Will he comment on the outcome of the report, which seems to be against any compulsion?

Malcolm Wicks: The hon. Gentleman needs to read the report thoroughly and, indeed, so do I. I have not yet had a chance to read it all. We will respond to it in the fullness of time; I will leave it there.

The clear skies programme, which has been mentioned, and another programme to support photovoltaic solar panelling will be followed by a carbon buildings programme. I hope to say more about that quite soon.

All I was trying to say earlier in a little tease of the hon. Gentleman—I am pleased that his family are considering microgeneration for their home—is that these things should not just depend on support from the state. To enable citizens to become part of the solution to climate change, rather than, as we all are, part of the problem, we need to enable more people to think that such technology is a reasonable investment in the energy efficiency of their own dwellings.

I am interested in the position of the Conservative party. Although the hon. Gentleman spoke enthusiastically about microgeneration, he is clearly not so excited by the potential of other renewables and wind turbines. I am interested in what that means for the Conservative party in the future. I read the press, and I note that there is some activity in that party. I thought that the Tories were moving towards being a more caring and sharing party, and, one might have assumed, a cleaner and greener party. However, that does not really square with their abandoning the renewables obligation—I do not know if that is their policy—or abandoning any idea of setting targets for renewables. Despite what the press suggests, it appears to me that the Tory party is looking backwards. Or is all this just hot air, which does not help either? Is the Tory party looking forwards or backwards?

Mr. Jenkin *rose—*

Malcolm Wicks: We are going to get an answer—although the real answer will come in six weeks.

Mr. Jenkin: The truth is that the Government's energy policy has become a bit of a shambles, as they have bolted more and more on to the policy they inherited from the previous Administration. We are arguing for a proper review, and I have argued that the Government should consider extending the renewables obligation to all forms of non-carbon generation in order to create a level playing field for all such generation, which is presumably the objective—rather renewables becoming a religion.

[Mr. Jenkin]

It would be interesting to see what came out of that review. I am working closely with my right hon. Friend the Member for West Dorset (Mr. Letwin) because we think that the priority is to reduce carbon emissions in the most economically efficient way. That is what we are working towards, and the Government should do the same.

Malcolm Wicks: I agree, but working towards that is not the same thing as coming here as a sort of modern Tory Don Quixote and tilting at windmills. Nevertheless, we will continue the debate.

I turn to the work of the international community in addressing climate change. The EU accounts for about 14 per cent. of global emissions; we in the UK account for about 2 per cent. The EU emissions trading scheme was introduced on 1 January 2005; it is one of the policies introduced across Europe to tackle emissions of carbon dioxide and other greenhouse gases. The scheme is considered to be one of the most cost-effective ways of meeting Kyoto obligations and of moving towards the low-carbon economy of the future. It is an imaginative mechanism—I can claim no credit for inventing it—to utilise the market for the benefit of broader European society.

On the domestic front, the UK is on track to achieve its obligations to reduce emissions of greenhouse gases under Kyoto, and we have set ourselves an even more ambitious domestic goal of reducing emissions of carbon dioxide by 20 per cent. below 1990 levels by 2010. The Prime Minister's decision to put climate change at the heart of our presidencies of the EU and the G8 demonstrates strong international leadership. We are committed to working with our partners in the International Energy Agency, the EU and the wider international community to deliver a global solution to a global problem.

The EU has already shown an appetite to address the challenge of climate change. The renewable electricity directive set the target for the EU of securing 22 per cent. of its electricity from renewable sources by 2010. In June 2004, the Commission published a communication on the share of renewable energy in the EU. It evaluated progress made by the EU 15 countries towards achieving national targets for 2010 for electricity from renewable sources. The overall assessment was that the EU 2010 targets for renewables electricity would be missed. That has lead to the call in the declaration of Edinburgh for a mandatory target of 25 per cent. renewable energy consumption by 2020.

The UK Government have yet to be convinced that a mandatory target represents the right approach. The energy White Paper made it clear that we prefer to create a market framework, reinforced by long-term policy measures such as the renewables obligation, which will give investors, business and consumers the right incentives to find the balance that will most effectively meet our overall goals. The European Union has also introduced the framework programme, which channels €810 million into support for sustainable energy research. In addition, the Intelligent Energy Europe scheme—that is a good name—seeks to promote the use of renewables, energy efficiency and better transport fuels. Several other EU directives also relate to renewable energy, including a biofuels directive.

It is not just Europe that is determined to take action; the International Energy Agency is also active in reducing greenhouse gas emissions. It is not only responsible for fossil fuels, but has a strong commitment to renewables, with its own research division on renewables, a renewables working party comprising member countries, and nine implementing agreements.

The Energy Commissioner's announcement earlier this year that energy efficiency was to be his No. 1 priority epitomises the heightened focus and was both welcome and timely. Energy efficiency is now at the heart of the UK's energy and climate change policies and we have been a leading advocate of energy efficiency for some time. As President of the EU, we now have an opportunity to press for greater awareness throughout Europe.

In the EU, the focus is increasingly shifting from the supply to the demand side of energy, with increasing recognition by Governments, business and consumers of the positive impact that increased energy efficiency can simultaneously have on business competitiveness, security of supply and reducing greenhouse gas emissions.

A suite of recently adopted directives has already established a sound basis for future energy efficiency policy throughout the EU. The energy performance measures in the buildings directive aim to promote the improvement of energy efficiency of buildings in the EU through a range of cost-effective measures. Coupled with the changes in the UK to part L of the building regulations, it is expected to deliver savings of almost 12 million tonnes of carbon a year by 2010. That is equivalent to the amount of carbon that would be emitted from nearly 1 million dwellings built to current standards.

The directive on eco-design of energy-using products sets out a framework for design requirements aimed at reducing the overall environmental impact of strategically important energy-using products, excluding means of transport. The Commission estimates that this measure alone could reduce EU energy consumption by around 10 per cent.

Another piece of legislation—the cogeneration directive—places an obligation on member states to ensure that support for combined heat and power is based on useful heat demand and primary energy savings. The UK is already largely compliant with the requirement, but the directive ensures that the majority of UK-based CHP schemes that are already providing primary energy savings are likely to continue to be eligible for public support.

In addition, the UK continues to press for agreement of the energy end-use efficiency and energy services directive, which is currently under negotiation. That is a priority for the UK presidency. The directive will set energy-saving targets for all member states and will place obligations on energy suppliers to offer and promote energy efficiency improvement measures to consumers and to provide better information to consumers to allow them to make informed decisions about their energy usage. The whole theme of work and discussion on improving metering and the idea of smart meters has a resonance in terms of microgeneration, and we need to look further at that. A good deal of work is going on and there is much practice in Italy on smart

metering, which is interesting. Both the European Parliament and the Council have thrown their support behind this approach and we hope to reach a deal before the end of the year.

The announcement of the energy efficiency initiative and the publication of the Green Paper on energy efficiency before the summer were also a notable step forward and gave us a valuable opportunity to have an input into a longer term European framework on energy efficiency.

Mark Lazarowicz: Will my hon. Friend indicate in his discussion on the energy services directive his view of the status of the energy-saving targets that would be placed on member states?

Malcolm Wicks: As my hon. Friend knows, there is some debate and disagreement between the European Parliament and the Council about the status of those targets. As President of the EU, the Government are trying to achieve some consensus on the issue. Essentially, we are in the business of supporting challenging but indicative targets, not mandatory ones, which I understand are not welcomed by the great majority of EU nations. However, that will be a matter for December's meeting of the Energy Council, which I chair.

We are keen to see the Green Paper lead to a further strengthening of the evidence base for energy efficiency. We cannot expect full buy-in until we can clearly point to benefits through increased competitiveness, security of supply and environmental improvements. In turn, those should help facilitate better regulation, better sharing of information and best practice between member states, and greater consistency and coherence throughout EU policy. The Green Paper should also offer an opportunity to add political impetus to proposals for further action in key sectors such as transport.

We are currently facilitating debate on the Green Paper between member states in Europe and I am looking forward to an important ministerial debate on it at the December Council. With the Commission, we are also co-hosting an international energy efficiency conference next week that will further consider the international elements of the Green Paper.

All that is very much part of the European dimension, but all the time we need to relate the international and European dimensions to the local dimension. I have not forgotten about the hon. Member for North Cornwall, who made an important contribution. He was talking about people in his constituency whose homes are not even part of the national grid. I am aware of that issue; we are making inroads there—no pun intended. More people are being connected to the grid, but not enough. I hope that we can do more with the national grid and Ofgem on that issue.

I say to the hon. Gentleman that microgeneration has a part to play. If people are off-grid, they need alternatives, and microgeneration is one of them, not least for those whom we would describe as the fuel poor, who need to make sure that they get enough energy. I want to think more about how we can connect up and I shall be happy to talk to the hon. Gentleman and other colleagues whose constituents are off-grid.

This debate has been useful and we have had a number of noticeable contributions. It has certainly reminded us that although climate change is by definition a global issue, and although global players—the EU, the UN and the rest—need to play a major part, there is also a very local dimension. As I said earlier, there is a sense that we all, not only the big institutions and players, need individually to take some personal responsibility in our lifestyle choices, such as what car we drive.

Colin Challen: I draw my hon. Friend's attention to the 25-5 challenge, launched by the all-party group on climate change, which seeks to make Members reduce their carbon emissions by 25 per cent. during the next five years. Does he think that a willingness among MPs to cut their emissions would be a good example to the public? I can tell him that 37 MPs have already signed up.

Malcolm Wicks: I think that I can name them all. Initiatives of that kind are important. The hon. Member for North Essex was talking about his compost heap; I was distributing my leaf-mould over the weekend. We are all part of the problem; we should become part of the solution.

Iraqi Kurdistan

12.30 pm

Bob Spink (Castle Point) (Con): Just this morning, there were two explosions in Sulaymaniyah. According to first reports, nine people were killed. Our condolences and our hearts go to their families. This terrible disaster—this terrorist atrocity—was the first such incident in Kurdistan for about a year.

Let me start by making two things clear. The people of the Kurdistan region of Iraq supported the war to remove Saddam Hussein, and they see us as a liberating, not an occupying, force. I was in Iraq during the run-up to the war in February 2003, and I went again in September this year. Therefore, I feel well placed to report on the progress achieved since the war, and I do so humbly in the hope that I can inform the debate.

I pay tribute to the many MPs who have been involved with the area. Hon. Members must often base their decisions on Government briefings. I trust Ministers to act honourably and to give briefings in good faith—they always do. However, we also speak and vote according to what we hear, read or see in sometimes sensational media coverage. If we go to war for a people, it is right, if we can, to learn what those people actually feel and think. That is why I have been to Iraq and why I am grateful to Mr. Speaker for allowing this debate so that I can help, in my small way, better to inform the House and the international community.

The bare facts are stark. Ninety-seven members of our armed forces have been killed. Our spending approaches £6 billion, and our longer term plans remain relatively undeveloped, although I accept that we now have an honourable exit strategy. This is one of the more important debates of recent years, and addressing the facts at first hand is self-evidently the right approach. The hon. Member for Linlithgow and East Falkirk (Michael Connarty) has just entered the Chamber; he missed my paying tribute to him.

The UK forces are in Iraq at the request of the Iraqi Government and operate as part of a multinational force under resolution 1546 of the UN Security Council. They are providing the necessary support, training and security for the Iraqi Government to build a democratic, safe and prosperous future for their people. Any MP who does not believe that it is an essential part of our job to make the world a safer place, and to tackle human rights abuses wherever there is genuine need, is not following the time-honoured and honourable traditions of this mother of Parliaments.

I pay tribute to our armed forces. I am proud to have served in them myself, if only briefly. They are one of the best disciplined, most professional and most effective forces in the world, particularly in difficult peacekeeping roles. We must do all that we can to protect them, and we must bring them home safely as soon as we possibly can.

I pay tribute to the media who, although they sometimes sensationalise, work with dignity, bravery and professionalism. They do an excellent and necessary job. The 100 British policemen in Iraq have trained almost 15,000 Iraqi police and will end up training about 25,000, and there are many unsung British heroes who are helping in specialist areas. We can be proud of them all.

I gave the Prime Minister a message from Kurdish President Barzani, in which he thanked the British people for

"all you have done to liberate his people and help them to secure a safe and democratic future"

and asked the Prime Minister to

"continue to keep sufficient troops in Iraq to enable the country to reform as a stable democracy".

It is worth putting the Prime Minister's response on record. He stated:

"I was pleased you had a good exchange with President Barzani. We will continue to work with him and other leaders to help Iraq develop as a stable democracy. I believe we have a responsibility to the Iraqi people to see through this commitment. We will stay in Iraq for as long as we are needed and not a day longer."

The Prime Minister, like all MPs, must have the courage to make tough personal judgments and stand by them. It is called leadership. I am grateful to him for his responsible and honourable leadership during the post-war period in Iraq. As for the decision to go to war in Iraq in the first place, history will show that it was justified, because on balance it saved lives and suffering.

The Prime Minister said that Saddam Hussein slaughtered more than 1.5 million people. He certainly slaughtered 500,000 Kurds. Thus, on average, 1,000 people were killed every week of his evil regime, and the war stopped that slaughter. That gives moral justification for the war. If the war eventually delivers stability to Iraq and the middle east and enables human rights to progress and democracy to become established, they will represent additional reasons why Britain was right to go to war in Iraq. Whatever one feels about the decision to go to war, we are there and there we must stay until the job is done.

The attempted destabilisation of Iraq, which we saw in the bombs this morning, is driven by various motives. The mindless terrorism of al-Qaeda is a key factor, but perversely the insurgency and terrorism will prolong our stay. Remnants of the Ba'ath party and some Sunnis remain unable to accept the new order. They do not like the majority Shi'a population gaining democratic controls. There are some who want to destroy the progressive political development and disrupt the co-operation of the three main groups, the Shi'as, Sunnis and Kurds, which has the potential to deliver stability and a better life for everyone in Iraq.

Religious fundamentalism is also playing a part in resisting democracy and progress in human rights. There is also an economic obstacle for some who do not wish to see a stable and prosperous Iraq delivering oil to the international market. Some may feel that it is unhelpful to others who supply that oil in the middle east.

Political, fundamentalist and economic pressures, as well as mindless terrorism, stand in the way of progress for the Iraqi people. Neighbouring countries may not wish to see the Iraqis and in particular Kurdistan achieve sustainable self-determination, but in reality and in the end, self-determination is what the constitution will deliver. That is why millions of Iraqis risked death to vote for it on 15 October.

An hour or so ago, the result came through, with 78 per cent. voting for the constitution, and 21 per cent. against it. Only two districts voted against it. The constitution has been carried with a massive democratic mandate.

Iraq's constitution may eventually fulfil the Kurdish dream and set right the historic injustice to those people. The international community must bring tougher pressures and better rewards to neighbouring countries to ensure that the Iraqi democratic process is not disrupted. The international community must be more relaxed and magnanimous about Kurdistan's development. Help on Iran is needed from Russia and other nations. We need a positive attitude towards Turkey from the European Union. I call on the Security Council to be uncompromising with Syria, and for Russia and other countries to support it.

Kurdistan has made great progress politically, socially and economically and in developing sound human rights for all its people, including the various ethnic groups and others who live in its administered areas. That is why Kurdistan is planning an advert on CNN International in early November to promote Kurdistan and to thank Britain for the liberation of Iraq.

In planning my September expedition to Iraq, I determined the people whom I would meet and the places and institutions that I would visit. I was accompanied by Ms Bayan Sami Abdul Rahman, the Kurdistan regional government high representative to the United Kingdom. My trip was facilitated by the KRG and the Kurdistan Development Corporation. That interest has been declared in the Register of Members' Interests.

I aimed to revisit the people and the institutions that I met with the hon: Member for Linlithgow and East Falkirk in 2003. I focused on issues such as the validity of the war and our exit strategy, insurgency and terrorism, and the international community's action needed to stop it. I sought to review the Christian situation and to give a balanced and true perspective based on my findings. I considered the important economic progress made in Kurdistan, which is now accepted as the commercial gateway to Iraq. It is very much open for business and supports business-friendly and sustainable commercial laws and policies. I know that well, because I gave a 15-minute speech on it in Iraq while I was there.

I met NGOs and reviewed progress in hospitals and health care. I saw the startling growth of Salahaddin university from 15,000 students, when the hon. Gentleman and I were there, to 22,000 students at present. Massive progress has been made during those 13 months. The university now has 21 faculties. I visited Sami's park in Erbil, where the remarkably successful and peaceful DBX trade show took place, illustrating that normality is returning to Kurdistan.

Michael Connarty (Linlithgow and East Falkirk) (Lab): I thank the hon. Gentleman for referring to our visit in straitened, stressful times before the war. I respect his view about the invasion of Iraq, although I do not share it. We visited internally displaced person's camps on our first trip. Are many of the internally displaced persons who were driven out of the two areas of Iraq still there? As for Salahaddin university, did the hon. Gentleman find out whether there was any response to my correspondence with certain faculty members who are being denied the right to come to the United Kingdom because they say they are not members of the Kurdistan Democratic party or the other Kurdish political parties, but are independent academics?

Bob Spink: The hon. Gentleman raises two interesting points. The IDP camps have mainly been disbanded, thank God. There are remnants, but they are being cleaned up quickly. Hopefully, within the constitution by 2007, the position of Kirkuk will be clarified and its remaining refugees can return to their communities and rebuild their lives. I did not deal with the university issue; it was not addressed to me, but I think that we should take it up together with the high representative for the United Kingdom, Bayan Rahman, who will find the answer.

It was moving to see ordinary Iraqis, Kurds and Christians working and playing together in Sami's park. That was named after its creator, Mr. Sami Abdul Rahman, who was tragically killed by terrorists. His dignity and selfless contribution to his country and his people will not be forgotten, and I pay tribute to him. I met about 20 politicians at all levels who represented various political and ethnic groups. President Barzani's message to the Prime Minister, calling for our forces to see the job through, was echoed throughout all sections of his people.

Kurdistan is a model for developing democracy in Iraq and throughout the middle east. It is in much better shape than the rest of Iraq, hence it is now known as "the other Iraq"—as we shall see in early November from the CNN international advertisement. The Kurds are building a decent democracy. Of course, they have had a 10-year start under the no-fly zone. They have the great advantage of the peshmerga. It is a formidable organisation and was one of the targets of the two bombs this morning.

Rebuilding has been remarkable in all sectors—political, social and economic—and in terms of infrastructure.

Michael Connarty: I believe that the peshmerga, which the hon. Gentleman mentioned, is a force of 75,000 troops. There are concerns that it sees itself as an independent Kurdish force, and as yet there is no proposal or move to mix it in with the rest of the Iraqi forces. Were there any indications that it would become part of an Iraqi force or does it still see itself—as it did when we were there—as a defence force for the Kurdish area?

Bob Spink: It is my understanding that the peshmerga still sees itself as being quite independent. It is a formidable force and that is one of the many issues with which the politicians in Kurdistan and Iraq will have to grapple. I know that President Barzani is carefully examining how he can move to a more democratic and normal arrangement in that country. We are talking about a country that has been oppressed for many years and is in transition. It is making great progress and we must support it so that the progress continues, and that includes the peshmerga.

Human rights have improved fast in Kurdistan and there is increasing optimism among the people. The students at Salahaddin university represent an important sector of Iraq; in many ways, they are its

[Bob Spink]

future. They spoke passionately from their hearts, both privately and in an open vote, after a detailed and sometimes critical debate. They felt safe to exercise free speech in private and in public. They spoke forcefully and gratefully of liberation and of being given a safer and better future by the removal of Saddam. They are like any other students around the world: challenging, questioning, hungry for information and freely giving of their views and ideas. Iraq has a great future in them. They are superb kids.

I was keen to get the views of the Christian community. I spoke to Christian MPs, including the Speaker, Mr. Adnan Mufti, and the Deputy Prime Minister, Sa kis Aghajan Mamendu. I met the Christian Bishop and Father William Jacob, a Kurdish Christian church leader in Sweden who may soon return to Kurdistan, and Christian community leaders. I also visited the Christian community of Ankawa and spoke with ordinary Christian people, both Iraqis and expats from this country and from America, who have lived there for years.

Such people are supportive of the KRG and are pleased with progress. They are concerned at what they see as propaganda by people largely from outside their communities in Iraq who call for an autonomous administrative region for the Christian communities. That is being sold as a safe haven, but from what I saw and heard first hand from the Christian people in Iraq, and from their democratically elected representatives and community leaders, the concept of a safe haven is wholly inappropriate.

Let me set out just a sample of the recent progress that Christian MPs told me about. The KRG has returned Feesh Khabur village to the Christians and is trying to return other villages, many of them places that the Christians lost decades ago. It has reconstructed 1,200 houses in the past two difficult years and much more work is in progress. It has provided new water supplies for 26 Christian villages. It has built or rebuilt nearly 40 churches since 1991. I visited one being built; there were Christian crosses in the main road leading to it.

There are, pro rata, more Christian MPs than Kurdish ones. There are five Christian MPs. Strictly, proportional representation would dictate that they deserve only two. They were awarded three important ministerial seats in Government, including Deputy Prime Minister and Finance Minister. Thousands of Christians are employed by the KRG, and there are two new Christian radio stations. We could do with some of them in this country. The KRG region has more than 30 Assyrian language schools, which have almost 10,000 students and 500 teachers, and 90 Christian schools and cultural centres have been opened. Those are not acts of oppression but of enlightenment.

Christian MP Romio Acarie said that they were not allowed to use Assyrian names under Saddam Hussein but now, of course, they can. He said:

"Comparing life under Saddam with life under the KRG is like comparing Earth with Heaven".

As a result of all this progress, and much more I have not had time to mention, some 5,000 Christians have in recent years left other areas of Iraq to settle in Kurdistan, and they are still moving there—voting with their feet. For context, the Christian population is about 38,000, within a Kurdistan population of 4 million—that is the figure from the last United Nations census, although it is now probably nearer 5 million.

Of course, Kurds lost much under Saddam; they are waiting for their new roads and schools, and for their Kurdish villages to be rebuilt, yet the KRG is positively discriminating to help the Christians. In any event, the Iraqi people's new constitution recognises the cosmopolitan religious and ethnic make-up of Iraq; the Kurds argued for that. It prohibits discrimination on racist, ethnic, religious or other grounds, and it protects minority languages. I feel that the KRG is genuinely trying to help the Chaldo-Assyrians, the Armenians and other Christian groups.

I challenge those outside Iraq who make adverse claims to come to Iraq with me, and to meet and talk to the people themselves. They could question Mr. Shlemon, the Christian deputy governor of Duhok, who said:

"Our Community in the Kurdish region in Iraq works successfully with the KRG and with all the peoples of the region. In this peaceful and progressive way, in tandem with those around us, we are developing our homelands, improving our livelihoods and protecting our rich heritage."

I found no evidence of institutionalised discrimination against Christians; quite the contrary—although there are, of course, individual incidents.

Kurdistan still has much to do for all its communities, such as to repair Saddam's evil slaughter of 182,000 Kurds in his Anfal campaign, in which he razed 4,000 Kurdish villages to the ground, seeking to ethnically cleanse them in an act of brutal genocide. I call again on the international community to accept that that was genocide.

Some people think that we should pull our troops out now; I disagree. I will not succumb to the terrorists. Like all MPs, I have a duty to give leadership on difficult issues, to be honest and to speak the truth as I see it. I hope that people will respect that.

The Iraqi people are risking death by voting. In doing so, they are demonstrating their commitment to the new order. It is in the interests of the middle east—and even, possibly, of world stability—that we see through to the end the job that we have started. I welcome the excellent progress made in the Kurdish region of Iraq since the war.

Mr. Mike Hancock (in the Chair): I hope that eight minutes is long enough for the Minister to respond to the debate.

12.52 pm

The Minister for Europe (Mr. Douglas Alexander): Thank you, Mr. Hancock; I will give it my best shot.

I thank the hon. Member for Castle Point (Bob Spink) for raising this important subject, and for the update he gave on the situation of the Chaldo-Assyrians in northern Iraq. Such first-hand, objective accounts help us to assess progress in our commitment to stand by the Iraqi people as they work towards securing a democratic and stable future.

There is still an enormous amount of work to be done by the international community and Iraqi leaders to ensure that Iraq makes a successful transition from

being a country blighted by over 35 years of Ba'athist oppression to one which can regain its rightful place in the international community. A founding member of the United Nations, Iraq needs the help of its neighbours, the region and the donor community to get back on its feet.

Northern Iraq is no exception. Saddam Hussein and his regime inflicted immense hardship and suffering on all the peoples of the north—the Arabs, Kurds, Turkomans, Christians and others. However, as the hon. Gentleman generously recognised, the protection afforded by the no-fly zone enabled northern Iraq to move forward. Since the fall of Saddam's regime, that progress has accelerated.

In security terms, the northern provinces of Dohuk, Irbil and Sulaymaniyah are among the quietest in the country. Incidents in the north are, in general, less severe and far fewer than in other parts of the country. That is not to say that those areas have been spared terrorist attacks. We have received reports today of a car bomb in Sulaymaniyah, which has caused casualties. That is just the latest example of terrorists attempting to derail the political process. Through the multinational forces, we will continue to support the Iraqi security forces in their courageous efforts to defeat all forms of terrorism in their country.

The north's economy continues to develop, as the KRG gradually builds critical infrastructure. There are signs of progress everywhere, the most obvious being the recent opening of airports in Irbil and Sulaymaniyah. The KRG is keen to draw on external expertise to lay solid foundations for the region's future economic growth. Its immediate priority is to develop the agriculture, tourism and manufacturing sectors using local skills, and to expand internal markets so that the economy is less dependent on external markets.

The people of northern Iraq are equally committed to strengthening the political process in the region. They turned out in huge numbers for the January elections, and did so again for the referendum on Iraq's draft constitution. Our consul in Kirkuk had the opportunity to observe voting at a polling station on 15 October. He reported that the voting process took place peacefully.

The fact that nearly 10 million Iraqis nationwide took part in the referendum is eloquent testimony to their determination to exercise their democratic right and to decide the political future of their country. Whatever the result turns out to be—there have been indications of the result this morning—that is a major achievement. It is democracy in action. As Prime Minister Jaafari said, whether Iraqis

"vote yes or no is not the point. The victory for Iraq is that they are voting."

What is important now is that all Iraqis participate fully in the political process to ensure that Iraq's Parliament and Government are genuinely representative of all the peoples of Iraq. The UK has provided funds for outreach programmes that set out the political options available, help to explain to the Iraqi electorate the importance of the draft constitution, and broaden understanding of the content. The programmes will focus on explaining the electoral system for the December elections.

Unlike last January's elections, in which Iraq was treated as a single constituency, the December elections will be conducted on a province-by-province basis. The Department for International Development is supporting the Independent Electoral Commission of Iraq's public outreach programme to encourage civil society organisations, particularly at province level, to get involved in the electoral process.

Kirkuk is a good example of why political participation, dialogue, compromise and consensus are critical if Iraq's transition is to succeed. The city brings together several communities within its boundaries. The majority of citizens are Sunni Muslims, but Kirkuk also has a sizeable community of Christians and a small Yezidi community. Iraq's leaders will therefore need commitment and determination to find a solution to the legacy of Saddam's policy of forced Arabisation of Kirkuk. They have agreed to set up a committee that will work towards finding a permanent solution on that difficult and sensitive issue. We will continue to encourage them in their endeavours, and we will continue to encourage and urge all minority groups in Iraq to take part in the political process. The UK Government maintain a close, open dialogue with leaders and representatives of such groups.

The hon. Gentleman made specific reference to the situation facing the Chaldo-Assyrians. Foreign Office officials in London met Mr. Yonadam Kanna, secretary-general of the Assyrian Democratic Movement, during his visit to the UK last week. His primary concern is that the rights of Chaldo-Assyrians be protected. He recognises that the Chaldo-Assyrian community must participate fully in the December elections if it is to be represented in the next Iraqi Parliament. Equally, Chaldo-Assyrian leaders will need to agree a common approach and to identify like-minded political allies in the next Parliament if they are to advance and to protect the rights of all Chaldo-Assyrians. Making such alliances is a key part of parliamentary politics and, of course, would have been unthinkable under Saddam's regime.

Our aim is to help all Iraqis to create a nation where all Iraq's citizens are safe throughout the country, irrespective of race or religious belief. National unity is key to securing long-term stability and prosperity in Iraq. In the transitional process so far, we have seen important symbols of that unity at work. The appointment of an Iraqi Kurd as President of Iraq is a powerful and eloquent signal that the political process can, and does, support the appointment of a non-Arab to high office. President Talabani has used his position to send out a consistent message that Iraqis should come together to support the transitional process. There may be deep disagreement about the way forward; that is too often what politics is about. However, for the vast majority of Iraqis, the only way forward is through peaceful, participative politics.

We have been encouraging the Iraqi Transitional Government to include all Iraq's communities in the political process. Chaldo-Assyrians, Turkomans, Yezidis and Mandaeans all had representatives on the Constitutional Commission. Those representatives were tasked with ensuring that the views of their communities were included in the draft.

I commend the draft constitution to the House. It reflects the multifaceted religious and ethnic make-up of Iraq and offers guarantees of full freedom of religious belief and practice to all individuals. It prohibits discrimination on racist, ethnic, religious or any other

[Mr. Douglas Alexander]

grounds, and it protects minority languages. The draft constitution strives to strike a balance between a wide range of views. The final draft text illustrates the extent to which, in the end, all parties were prepared to compromise.

Should the constitution pass at referendum—it seems to be emerging today that it will be passed—that, of course, will not be the end of the process. The text will not be set in stone. A review mechanism has been included in the draft. That will see the establishment of a constitution committee, which the constitutional draft stated will be made up from

"the principal groups in Iraqi society and members of the Council of Representatives"—

that is, the next Parliament. That committee will be tasked with presenting a report to that Parliament within four months with any proposed amendments to the constitution. That shows the value of sustained and intense engagement in the political process by all Iraq's communities, and that means contesting and voting in the coming elections.

Preparations are well under way for December's elections and the United Nations is working closely with the Independent Electoral Commission of Iraq to ensure that those elections are conducted openly and transparently.

Birmingham City Council (Homeless Policy)

1 pm

Richard Burden (Birmingham, Northfield) (Lab): Before I start, as a Member for a Birmingham constituency and in the light of events during the past few days, I want to express, on behalf of all right hon. and hon. Members in Birmingham, whatever their party, our sympathy to the friends and families of those who lost their lives and to add our voices to those of community and civic leaders in stating our commitment to Birmingham as a multi-racial, multi-faith city. That view is shared by the overwhelming majority of Birmingham citizens, irrespective of their race, creed or religion.

I am grateful for the opportunity to bring to the attention of the Chamber some worrying things that have been going on in Birmingham in respect of the way in which the Conservative and Liberal Democrat administration of the council is approaching its statutory obligations to the homeless. Like other big cities, Birmingham faces big challenges to improve the quality of its housing stock and to make available sufficient affordable homes to those on its waiting list and to those in urgent need of rehousing because of homelessness or other problems.

According to figures from Shelter, in 2004–05, more than 8,000 families in Birmingham were found to be homeless. I welcome the extra investment that is going into housing as a result of the actions of the Labour Government, but more needs to be done and there is a real debate to be had about how best to achieve that.

However much money is going in, it is vital that local authorities exercise their ongoing responsibilities fairly and consistently, particularly in the way in which they allocate properties and treat homeless people. It is in the latter area that the policies adopted by the coalition running the city council are nothing short of scandalous. The fact that it has tried to claim that the Government have imposed those policies on them is something to which I feel sure the Minister will want to respond.

Under housing legislation, Birmingham city council is under an obligation to help eligible families who are either homeless or threatened with homelessness within 28 days. In the case of private tenants losing their homes, the city council used to regard someone as being threatened with homelessness if they had received a section 21 notice to quit from their landlord. In the case of a dispute between landlord and tenant, of course, a court procedure was available to determine whether the notice to quit was reasonable. However, this summer, the council's policy changed. It apparently decided that the court procedure should no longer be a way of resolving disputes between landlords and tenants, but should be a normal part of the notice-to-quit procedure. In other words, even if a tenant accepted that the landlord had issued them with a valid and reasonable notice to quit—for example, because the landlord needed the property to live in—the council would not accept that that tenant was threatened with homelessness unless he or she forced the landlord to get a court order to evict them.

It gets worse. The council does not only insist that tenants force their landlords to go to court. If the court decides that the notice to quit is reasonable, the city

council expects tenants not to comply promptly with the decision of the court. Instead the bailiffs have to be called in before the council will accept its responsibilities to try to find alternative accommodation for the tenant. A briefing note from the council was supplied to me and clearly states:

"It is at the 28 days prior to the bailiffs notice . . . that someone is accepted as homeless or threatened with homelessness"

What is the result of all that? The council claims that it tries to give early and helpful advice to those who approach it for help. That is simply not borne out by cases I have been dealing with over the past few months. Let me give some examples. A tenant with a health problem who had been given formal notice to quit by her landlady back in April was told by the city council that it would try to rehouse her on the basis that a section 21 notice had been issued. The policy changed in the summer and, to cut a long story short, she eventually found out that the council would not rehouse her until she forced her landlady to get the bailiffs in. The result is that she has a court order against her, and she has had costs of £190 awarded against her because there was no reason for the case to go to court in the first place. As far as I knew the situation yesterday, the council still had not found her anywhere to live.

There are other examples, such as the tenant who, having followed council advice, is worried about her chances of ever being offered a privately rented property in the future, because she will have on her record that she wilfully refused to leave when she was reasonably asked to do so by her landlord, and that she forced her landlord into unnecessary court proceedings to get her out.

There is the woman who rented out her house while she went off travelling for a few months. Having got back and having issued a perfectly reasonable notice to quit to the temporary tenant, she cannot get into her own home or even get at her winter clothes because her tenant will not leave—presumably in line with council policy. As a result, the woman landlord is £2,000 out of pocket through court fees and temporary accommodation costs for herself.

When I questioned the Conservative cabinet member for housing, Councillor John Lines, about the matter on local radio, he claimed that he did not like the policy any more than anybody else, but that the city was acting on Government instructions. I asked him several weeks ago to provide me with a copy of the alleged instruction. I am still waiting for a reply.

I have received, however, a written answer to a question I tabled in the House last week. It is from my hon. Friend the Minister for Housing and Planning, who confirmed:

"It is not good practice to simply advise people to remain in their accommodation until their landlord obtains a court order for possession and the bailiffs arrive, and we advise against that."—[*Official Report*, 17 October 2005; Vol. 437, c. 810W.]

Why are Birmingham city council adopting such a crackpot policy? The answer could be in briefing notes supplied to me by the city council to defend its policy. The notes make it clear that, if the council can meet a target agreed with the Government to reduce the number of people presenting as homeless, they will receive extra Government cash. That target is meant to be about reducing homelessness. Insisting that tenants and landlords go through costly and unnecessary court proceedings does not reduce homelessness at all. What it does is enable the city council to reduce the numbers it defines as threatened with homelessness. It is, it seems, massaging the figures.

Worse still, that may be the tip of a much larger iceberg. The city also has to meet Government targets to reduce the number of people in temporary accommodation. Birmingham counts someone as being in temporary accommodation only if they have been placed in such accommodation by the council. If a single parent is living with a child on someone else's sofa, and they approach the council for help, that does not count as temporary accommodation. Presumably, it does not show up on the city council's figures for that target.

That definition of temporary accommodation may not be helpful in identifying housing need. The point is, though, that it also affects who gets prompt help from the council, and who does not. Birmingham's housing allocation policy has always specified that priority should be given to rehousing homeless families. Now, though, there is a new allocations policy.

The new policy creates two categories for homeless people accepted as in priority need. There is band A, or priority priority, and band B, which is not so priority priority. The difference is not need.

If that single parent I was talking about had been put in bed and breakfast by the council, where she and her chid at least had a bed to sleep in, she would be priority priority. As she is sleeping on someone's sofa, she slips well down the queue into band B. That has nothing to do with the family's needs, but I wonder if it has everything to do with how Birmingham presents its figures about the extent of homelessness in the city.

For example, according to Shelter's figures, of the 8,289 households found to be homeless in 2004–05, 3,626, or 43 per cent., were classified by the council either as intentionally homeless or not in priority need. In contrast, Shelter says that in 2002–03 and 2003–04, 6,000 households in Birmingham were accepted as being both unintentionally homeless and in priority need. Perhaps there has been a dramatic change in the behaviour of homeless families in Birmingham in just one year. I doubt it.

Commenting on the council's new home options scheme, for example, Shelter says it is

"concerned that the new scheme is resulting in increased 'gatekeeping'—preventing people making a formal homelessness application under Part VII of the Housing Act 1996."

As someone from the South Birmingham young homeless project in my constituency put it recently:

"The government has set targets to reduce the number of homeless applications made to Local Authorities. I am sure there are other ways to meet these than blocking applications."

My conclusion is that Birmingham has a problem of hidden homelessness that the council is hiding even more. Presiding over all of this is Councillor John Lines, the man who publicly claimed that he had been told by the Government to force people into unnecessary court action. He has produced no evidence to back that up other than claims that somebody may have heard something on a training course. If he is prepared to change something as fundamental as the way he defines homelessness on the basis of being told that someone said something informally on a training course, I seriously doubt his fitness to hold such a responsible

[Richard Burden]

office as cabinet member for housing in England's largest local authority. If he is trying to make Birmingham's record on homelessness look different from what it really is while knowingly trying to shift the blame to the Government for a policy that his administration introduced, such deception is more serious still.

Only Councillor Lines knows whether he simply was not paying attention or whether he has been deliberately trying to mislead people. Either failing is unacceptable for someone in his position. There has been enough delay. If Councillor Lines is not able to produce the instructions that he publicly alleged Birmingham had received from the Government on court proceedings and how Birmingham should regard them, it is time for him to consider his position and resign. If he is not prepared to do so, the Conservative leader of the council, Councillor Whitby, must address the issue; and the Liberal Democrats, who are the Conservatives' coalition partners on Birmingham council, must decide whether they will stand by their new Tory friends in the administration, or the homeless families and responsible landlords in Birmingham. It is clear that they cannot do both. Real people—those threatened with homelessness and responsible landlords—are being let down by the council. Councillor Lines's career is in his hands, but, whatever happens, Birmingham city council's policy must change.

1.12 pm

The Parliamentary Under-Secretary of State, Office of the Deputy Prime Minister (Jim Fitzpatrick): It is a pleasure to see you in the Chair today, Mr. Hancock. I am sure that we all wish to be associated with the comments of my hon. Friend the Member for Birmingham, Northfield (Richard Burden) about the events in Birmingham in recent days.

I congratulate my hon. Friend on securing this debate about homelessness in Birmingham. He has made some direct personal criticisms, to which I shall not be able to respond, but he also raised some genuine and general concerns, which I will deal with in a moment.

First, I would like to remind hon. Members of the Government's good track record in tackling homelessness. The number of new cases of homelessness has decreased since 2003 as a direct result of our policies and our investment in homelessness prevention. On top of that, the numbers of those sleeping rough are at an all-time low, and we have ended the scandal of families with children having to spend long periods in bed and breakfast accommodation. We have achieved that by investing £200 million during the past three years in services to prevent homelessness, such as rent deposit schemes to enable households to find good accommodation in the private sector, and mediation services to resolve family relationship breakdowns and to enable young people to remain in the family home.

However, there is more to do. That is why in March the Government published a strategy setting out plans for halving the use of temporary accommodation by 2010. It will involve continued partnership working at national, regional and local levels, and working across Whitehall to ensure that we tackle the widest causes of homelessness and provide solutions.

The strategy for tackling homelessness is set in the wider context of the Government's work since 1997 to address the shortage of affordable housing. In 1997, we inherited decades of decline in house building, which led to a serious problem. The building of enough affordable homes is at the top of the agenda of the Office of the Deputy Prime Minister. Since 1997, we have made it a priority to address the £19-billion backlog of dealing with the 2 million homes below the decency threshold. We have doubled the investment in affordable housing for rent or purchase. Over the three years leading up to 2006, £5 billion will be spent. That investment will support the delivery of our new range of simpler, more affordable, more accessible home ownership schemes.

In the short term, through our new homebuy schemes, we will help more than 100,000 households to own their own home by 2010. Homebuy schemes will provide a flexible shared equity-based product that will increase access to home ownership for those currently priced out of the market. It will also provide opportunities for social tenants to buy a share in their homes. Homebuy will reinforce the long-term strategy by increasing home ownership opportunities for key workers. To address the need for affordable housing in the west midlands over the next two years, £198 million has been allocated to the housing corporation—an 11 per cent. increase on the figure for the past two years.

In the case of Birmingham, my hon. Friend has cited examples from his constituents who advise him that they have been told by the city council to stay put in their homes until the bailiffs arrive—examples which add up to bad practice. I share his objectives of wanting to tackle bad practice; that is why officials are working closely with local authorities to improve their understanding of the causes of homelessness and the successful solutions they can put in place to address them.

My hon. Friend will appreciate that I am unable to comment on the individual cases he mentioned, but our policies and guidance for local authorities on how they should be tackling and preventing homelessness are clear. Local authorities should provide people with support to prevent homelessness at the earliest possible opportunity. This may involve helping tenants to continue to live in their current accommodation where possible or helping them to find alternative accommodation. It is not good practice simply to advise homeless applicants to remain in a property until eviction and we advise against that. For example, authorities could consult landlords to come to a mutual agreement which could allow a tenant to continue to occupy the accommodation for a reasonable period—and continue to pay rent—until the authority is able to help to find alternative accommodation. Hopefully, in this way the need for a possession order can be avoided and there will be a solution that meets the needs of all parties.

My hon. Friend will be interested to hear that we have been assured by Birmingham city council that it is adopting the good practice we advocate in these circumstances. As part of the ODPM's support for local authorities, specialist advisers ran a homelessness workshop for officers in Birmingham city council in June. Our officials are due to meet senior officials from the council next week to discuss the policies being pursued by the authority and to provide guidance if needed.

Lynne Jones (Birmingham, Selly Oak) (Lab): I am glad that the Government frown on this deplorable

practice of Birmingham city council, which also affects my constituents. The presence of other hon. Members from Birmingham shows that the problem is widespread. Councillor Lines wrote to me, saying:

"I am sure you will appreciate the need for Birmingham city council to reduce the number of homeless applications to the authority to ensure the demand can in some way match the available supply of social housing."

Is that not the crux of the matter? The supply of social housing is simply not sufficient to meet the demand in Birmingham due to large-scale demolition, right-to-buy sales and insufficient new capacity and new house building.

Jim Fitzpatrick: My hon. Friend made similar points in the Chamber yesterday evening when we were discussing socially affordable homes in the west midlands during a separate Adjournment debate. I accept that much of what she is saying is absolutely true. We have had decades of under-investment in house building and a lack of socially affordable homes for people to rent at prices they can afford. The Government are doing as much as they believe they can at the moment. House building is at the top of the ODPM's agenda.

We began the process in 1997 by making it a priority to bring 2 million homes up to the decency threshold—we are well on the way to meeting that target. I know that for those constituents of my hon. Friends who are in this predicament, it is all too little and too late, but we are spending billions of pounds trying to address the problem and find solutions to one of the most serious issues of concern for the Government.

Lynne Jones: One of the problems is that Birmingham city council's only means of meeting the decent homes target is to demolish thousands of homes that do not meet that target. That is the crux of the matter. Birmingham needs 3,000 new homes a year; it is getting fewer than a third of them. There must be more investment in new homes and in ensuring that we do not have to demolish existing ones.

Jim Fitzpatrick: I do not disagree with my hon. Friend's main point, which is that we need more investment in house building and socially affordable homes. That is exactly what the Government are doing in their programme.

Although there are more people in temporary accommodation now, it is important to remember that these are people who have been helped and rehoused as a result of our stronger homelessness legislation. The vast majority—about 84 per cent.—are housed in self-contained homes in the private or social sector, but we accept that the figure reflects a shortage of suitable homes and we are determined to tackle that too. That is why our priority for action over the next three years is to increase the number of social rented homes. Together, investment in prevention and in new supply will turn around homelessness.

I hear exactly what my hon. Friend the Member for Birmingham, Northfield has said in relation to the problems faced by his constituents. As I said, officials from the ODPM are going to Birmingham next week. I am sure that my hon. Friend will keep a close eye on developments.

1.21 pm

Sitting suspended.

South Caucasus

1.28 pm

Angus Robertson (Moray) (SNP): Believe it or not, this is the first parliamentary debate held at Westminster about the south Caucasus. I have no doubt that there have been debates that have covered individual republics in the wider region, but this is the first debate that has been held on the south Caucasus in its own right. I declare an interest in that I was the founder of the all-party group on the south Caucasus during the last Parliament. I am also closely associated with conflict resolution efforts in the region. Those efforts appear in the House Register of Members' Interests.

I am sure that the Minister agrees that it is vital to learn the lesson of history. As an example, I cite the infamous quote from a former UK Prime Minister, who talked about a conflict

"in a far away country between people of whom we know nothing."

It is funny how perceptions shift. Sixty short years later, the country in question—the Czech Republic—is now at the heart of the European Union and does not seem far away from us, and we are quite rightly debating Turkey's possible membership of the European Union. All that means that within a few short years the European Union could be bordering the region containing Armenia, Azerbaijan and Georgia, the three republics that make up the south Caucasus.

Increasingly, that region is not one far away, about which we know nothing. It is increasingly well known in western Europe, and in Scotland the Minister and I share in a growing awareness of those three republics. In cultural terms, we all know of Armenia as the world's oldest Christian country, but it is also famed through the work of composer Aram Katchachurian, whose music is regularly heard during the Edinburgh festival. People from the republics are also well known in the sporting arena; for example, the Georgian footballers Shota Arveladze and Zurab Khizanishvili, who play in the Scottish premier league, to name but two.

In the world of business and trade, Scots regularly commute to Baku. When I fly down from Aberdeen, often the biggest single group at the airport waiting for a connecting flight is flying to Azerbaijan. We have increasing links with that part of the world.

There are other reasons why we know the region: the south Caucasus is going through a difficult transition, as everyone would concede, from communism to democracy. It is important to understand how difficult some of that transition has been and how current it is. Four large-scale violent conflicts occurred in the region during and following the collapse of the Soviet Union in the early 1990s, resulting in a situation of neither peace nor war, leaving populations throughout the region with an uncertain future and undermining political reform and economic development.

The political context across the south Caucasus is volatile, to say the least. In autumn 2003 came the beginning of a series of dramatic political events that have changed the region and the conflict contexts. The death of President Heydar Aliyev in Azerbaijan and the rose revolution in Georgia, which resulted in the departure of Eduard Shevardnadze after nearly 30 years of rule, changed political relationships and redefined assumptions across the region.

[Angus Robertson]

The new Georgian President, with a broad political mandate, has launched a massive anti-corruption campaign and made the re-establishment of Georgian control over Abkhazia and south Ossetia a test of the new regime. In Abkhazia, disputes over the results of the de facto presidential elections in October 2004 demonstrated that political processes in that disputed territory are much less predictable than had been previously assumed in the region and by the international community, and that both civil society and some de facto institutions have a real capacity to influence events.

In summer 2004, hostilities resumed between Georgia and south Ossetia, seriously undermining the formal settlement process and harming unofficial relationships built up over the past 10 years between the sides. Elsewhere in the south Caucasus, there is fraught rhetoric but little political development in the frozen conflict between Armenians and Azerbaijanis over the territory of Nagorno Karabakh, and economic insecurity is widespread.

The severe economic situation in the south Caucasus is both a cause and a symptom of its conflicts. Oil extraction in Azerbaijan and the Baku-Tbilisi-Ceyhan pipeline have an important geopolitical influence on the region and thus on its conflicts. The pipeline is important for global oil supply and for narrow interests, given that BP has a 30 per cent. stake in the $3.6 billion project.

We all know that the substantial transit fees will accrue to Georgia and Turkey. They are expected to produce for Georgia about 1.5 per cent. of national income; Azerbaijan expects its own economy to grow by a staggering 18 per cent. as a result of the pipeline. All that could help the region progress to economic stability and success—we hope that it will—or it could bankroll unilateral efforts to right perceived wrongs and lead to massive destabilisation in the region.

That is what is happening specifically in the three republics, but there is a wider geopolitical context. The south Caucasus is the meeting place of Russia, Iran and Turkey, which all have substantial interests in the region. The three large neighbours have also been the subject of considerable diplomatic efforts by the UK Government for one reason or another. That is why is it has been entirely right and proper for the Foreign Office to show the appropriate interest in the region and to play a constructive role, and I think that it has done so. That role has been most keenly felt through the efforts of non-governmental organisations, which have been able to work across disputed boundaries and borders. That would be impossible for state actors.

I will briefly discuss the role of NGOs. What is beyond doubt is that they—not states or members of the Organisation for Security and Co-operation in Europe—have been at the forefront of conciliation, confidence building and peace-supporting efforts. That is not a surprise when one considers that state actors and multilateral organisations such as the OSCE have found it difficult to make significant progress through the likes of the Minsk process to resolve vexed questions in the region.

It is also particularly challenging to work as a Government in disputed regions, because of issues of recognition and legitimacy, but it is a task that many NGOs have been doing with great skill. They have made significant progress on the ground. At present, quite a number of UK-based NGOs are playing a vital role in the development of the south Caucasus. I have seen many of them in action on the ground and I have heard the feedback from local partners and programme participants. They make a big difference.

The project that I know best is the south Caucasus parliamentary initiative, which regularly brings together parliamentarians from Armenia, Azerbaijan and Georgia. For those who understand the dynamics of the region, that fact alone is recognised as a major achievement. I have seen the initiative in action and it is extremely impressive. Three years ago, parliamentarians from the three republics met in my constituency, Moray, in the first peace and reconciliation talks of modern times to be held in Scotland. Since then, I have met the participants in their home republics and, a few months ago at a SCPI meeting in Dublin.

That is the only working forum in the region which brings together decision makers to build trust, find ways forward, reduce tension and, hopefully, to move forward to lasting solutions. It is also a project, like others in the south Caucasus, which has been funded by the UK Government. That support has been significant; it has been constructive and it is money well spent.

However, and here is the rub, over recent months it has become apparent that funding is being squeezed: the UK government are reducing their commitment to peace and reconciliation work in the south Caucasus and elsewhere. Those cuts are happening not because the projects have been completed, because conflict has come to an end or because democracy is on a firm footing, but because the mire of Iraq is seeing resources switched and budgets elsewhere cut.

According to the House of Commons Library, funding from the global conflict prevention pool to the area including the south Caucasus has been halved during the last year from £12.5 million to £6.5 million. Just to remind the Minister, that funding cut decision was made just after a revolution, political violence, a military stand-off between two states and the ongoing threat of full-scale wars owing to frozen conflicts.

There are also significant cuts to the strategy budget allocations of the global conflict prevention pool. They relate to the following: the Balkans; Belize and Guatemala; central and eastern Europe; India, Pakistan and Kashmir; Indonesia and East Timor; middle and north Africa; Nepal; Sri Lanka; and the United Nations. Even Iraq project funding through this pool has been depleted. Even if the case were being made that things are improving in the south Caucasus, surely they are not in all those other parts of the world as well.

According the data provided by the Library, £21 million has been cut from the fund, which amounts to a 20 per cent. drop. I asked the Library to confirm when the Government announced those cuts, and I also asked the whereabouts of the updated glossy brochure that extols the virtues of the conflict prevention strategy. We had that before, when things were going full steam ahead. It was a significant document that outlined all the areas in the world where a difference was being made—

something that I and my party, and Members in all parts of the House, support. However, there has not been an update, unsurprisingly perhaps. There has not been an announcement to the House, in either written or oral form, about those developments. There is no updated strategy, or an explanation of reduced commitments.

Instead of focusing on conflict prevention, it would appear that the UK Government are shifting resources to a conflict they started in Iraq, and important projects in the world which are genuinely dealing with conflict prevention are being left to suffer. We should be under no illusion about the impact of the cuts. As an NGO official said to me,

"this will have negative implications for the democratic transformations in the region. Work cannot be carried out with gaps in time; there should be continuity and an ongoing flow of activities that build on past strengths and existing experiences".

Another official mentioned having

"to tap core support and cut back in projects"

and said that there are

"obviously other pressures on government spending, but nothing has been made clear as to why the money is gone".

Why is this happening? Is it the Foreign and Commonwealth Office assessment that the south Caucasus will be less volatile in the years ahead? Is this happening because the UK is downgrading its engagement in the region, despite the key direct economic and political interests that exist there, as well as the strategic connections with the wider region and neighbours? Or is it happening simply because the costs of Iraq—and, perhaps, of Afghanistan as well—are sucking resources away?

Who is responsible for this? Page 25, paragraph 64 of a recent report with the FCO stamp on it, entitled "Evaluation of the Conflict Prevention Pools: Portfolio Review", states:

"The central unifying element in the CPPs is at Cabinet level, where a sub-committee on Conflict Prevention sets broad priorities, approves all spending in gross amounts . . . For matters to do with the GCPP"—

the fund that covers the south Caucasus—

"the Sub-Committee . . . is chaired by the Secretary for State for Foreign and Commonwealth Affairs."

Paragraph 65 states:

"Other members of the Sub-Committee . . . include Ministers or junior Ministers from the portfolios concerned: FCO, MOD, DFID and HMT"—

the Treasury.

Please can the Minister explain the decision-making dynamics? Are these cuts FCO led or Treasury led? Who made the decision? Was the Foreign Secretary in the chair at that meeting, or was it another Minister? What impact assessment has been made of reduced GCPP spending in the south Caucasus—and in other regions, for that matter? Can the Minister confirm that many NGO projects will have to be wound down or discontinued? Are plans in place to secure bridging finance or other funding sources? What will future GCPP funding be for the south Caucasus? How much will the former Soviet Union budget line be in 2006–07? Why has this matter not been explained fully to the House? The Minister now has an opportunity to do that.

The easiest solution to many of these problems would be to restore funding levels. However, I concede that there are others, and we should look at them, too. For example, the European Union has an emerging new neighbourhood policy which could help to provide an economic and political framework for regional co-operation, but, as everyone in the know knows, its timetable is slipping. Therefore, there is a cut in funding from the UK, and the EU timetable is slipping away, so there will be a problematic gap. What will the FCO do to support new funding partners? In accepting that they are downgrading UK support, will Ministers take up this matter with the Commission and other EU member states to try to secure resources to plug the gap?

In conclusion, the GCPP and NGOs have been a force for good in recent years. I can testify to their work, and I commend the Foreign Office for playing an active and positive role. However, it is deeply ironic that the UK Government are raiding the conflict resolution budgets to fund the gaps in Iraq—and, perhaps, in Afghanistan as well. The south Caucasus is a region that I know better than the others that will be affected by the cuts. I can tell the Minister that the effects will be significant and that the cuts will cause problems for conciliation and peace-building efforts.

The cuts are the result of nothing more than bean counting and penny pinching. When we consider existing and pending Government spending commitments, the cuts are shown in a bad light. This Parliament is expected to vote on a projected replacement cost for the Trident nuclear missile programme of £20 billion. I have been discussing a shortfall of £20 million in the global conflict prevention pool, cast against £20 billion. The priorities are wrong.

I hope that the Minister has listened closely. He may not agree with everything that I said, but I hope that he will fight the corner of NGOs that have been doing such an important job, and I hope that budget lines for the next financial year will be restored to the appropriate level.

1.45 pm

The Minister for Europe (Mr. Douglas Alexander): I congratulate the hon. Member for Moray (Angus Robertson) on securing this debate. As the founder of the all-party group on the south Caucasus, he has a particular interest in the region. Notwithstanding what I would charge was a somewhat partial account of the events under discussion, I pay tribute to his efforts in recent years on behalf of the south Caucasus, which is of considerable strategic importance for international security and stability, bordering as it does on Russia, Iran and Turkey.

Let me begin by placing an emphasis on the European Union, which the hon. Gentleman came to only at the end of his speech. To have dealt with it earlier might have got in the way of some of the points that he was keen to make at the beginning of his remarks.

As part of the near neighbourhood of the European Union, the three countries in the region—Armenia, Azerbaijan and Georgia—have been invited to enter the European neighbourhood policy. The ENP is a key instrument for the EU in developing relationships with our nearest neighbours on the basis of shared common values and effective implementation of political, economic and institutional reforms. The ENP action plans will offer the three countries a closer relationship with the EU in return for progress on internal reform.

[Mr. Douglas Alexander]

They will also encourage greater regional and cross-border co-operation and, most importantly in the context of this debate, progress on conflict prevention and resolution.

The UK and European interests in the region include the security of energy supplies. The Caspian basin resources are a vital source of supply for western markets. BP's largest overseas investment, some $22 billion, is in Azerbaijan.

The south Caucasus states have undergone considerable reform during the 15 years since the turbulent collapse of the Soviet Union, but they still face major challenges. As we heard, the "frozen conflicts" over the Georgian separatist regions of Abkhazia and south Ossetia, and between Armenia and Azerbaijan over Nagorno Karabakh are a serious impediment to regional stability and economic development.

I remind the House that the global conflict prevention pool, which featured prominently in the hon. Gentleman's remarks, was established precisely to help countries such as Georgia, Armenia and Azerbaijan to resolve the conflicts that are holding back their development. GCPP funds are invested in projects that we hope will help to prevent conflict and to promote peace and stability by improving governance, expanding democracy and increasing regional and economic co-operation.

The GCPP was set up in 2001 to improve the co-ordination and effectiveness of the Government's international conflict prevention work. Teams from the three Departments that jointly fund the pool—the Foreign and Commonwealth Office, the Ministry of Defence and the Department for International Development—closely work together to achieve a more strategic and cost-effective approach to conflict prevention.

The GCPP has a unique funding arrangement specifically voted by Parliament. For 2005–06, the figure for the global pool is £74 million, which is shared among 15 regional and thematic strategies including Iraq, Afghanistan and Afghan counter-narcotics. The Russia and Commonwealth of Independent States GCPP strategy received £6.5 million, or almost 9 per cent. of the total GCPP budget, this financial year. The south Caucasus region is a top priority of the strategy.

One of the initiatives funded by the Russia-CIS strategy was the appointment in 2002 of Sir Brian Fall, a former British ambassador to Moscow, as the UK special representative to Georgia. I met that gentleman only recently. In 2003, his remit was extended to cover the whole of the south Caucasus. I assure the House that the region is of continuing interest and importance to the Foreign and Commonwealth Office and the British Government.

Sir Brian's work in the region gives the Government added diplomatic weight in international attempts to resolve the region's "frozen conflicts". He is the UK's senior representative in the UN Secretary-General's Group of Friends, which is working with the Government of Georgia and Abkhaz leaders to try to resolve the Abkhazia dispute.

"The Friends", as they are called, met for a fourth round of talks in Geneva earlier this year where some progress was made. They restated their commitment to finding a peaceful settlement to the dispute. They also welcomed an offer of a UN conference on economic confidence-building measures, and agreed in principle on a strategic paper presented by the United Nations High Commissioner for Refugees on the problem of internally displaced people in the region.

The situation in south Ossetia is more volatile. As I am sure the hon. Gentleman is aware, in the summer of 2004, some 30 to 40 people were killed in an outbreak of hostilities in the region. South Ossetia remains tense following recent kidnappings, shootings and general lawlessness, which included the shelling of a south Ossetian village earlier this month. We are monitoring the situation closely through our embassies and through the regular dialogue we and Sir Brian Fall have with the parties to the dispute.

I am, however, particularly encouraged by signs that the Georgia-Russia relationship is improving. The agreement earlier this year on Russian base withdrawal from Georgian territory was a positive step. I discussed the conflicts with the then Foreign Minister, Mrs. Zourabishvili, in London on 11 October, and I encouraged the Georgian Government to continue to seek a peaceful resolution to the conflicts in south Ossetia and Abkhazia.

I mentioned the ongoing conflict over Nagorno Karabakh. The UK strongly supports the work of the Organisation for Security and Co-operation in Europe's Minsk group, which was mentioned in the hon. Gentleman's contribution, and the framework for facilitating negotiations on Nagorno Karabakh. Although not a member of the group, Sir Brian Fall remains in close contact with the co-chairmen from the United States, France and Russia. There are clear signs of progress there, too.

The Armenian and Azerbaijani Foreign Ministers have met on several occasions this year and their Presidents met in Warsaw in May and again at the CIS summit in Kazan, Russia in August. The Azerbaijani Foreign Minister, Mr. Mammadyarov, was optimistic about the possibility of progress when I discussed it with him in September in the margins of the UN General Assembly meeting in New York. Encouraging greater democracy is vital to long-term efforts to promote peace and stability in conflict-ridden countries.

Through the GCPP, we are funding an OSCE election observation mission for the Azerbaijan parliamentary elections on 6 November. The UK is providing 50 short-term and three long-term observers, making us one of the largest contributors to the mission. The GCPP is also supporting other south Caucasus OSCE missions and leading NGOs that are working to resolve conflict and to build trust and understanding between divided communities in the region. It is important to place those observations on record to balance other observations that we heard recently.

The hon. Gentleman specifically raised the SCPI—"skippy", as it is commonly pronounced. That project was launched by British NGO LINKS—the London Information Network on Conflicts and State Building—in 2001. The project forms part of a wider regional project called the consortium initiative. The consortium initiative is a coalition of four NGOs and it has been funded from the Russia-CIS GCPP strategy over three years to the tune of £2 million.

SCPI provides a framework for dialogue, contacts, exchange of views and joint analysis between the Parliaments of the three south Caucasus countries. The objective of the project is to improve prospects for a permanent settlement to the Nagorno Karabakh conflict by encouraging dialogue at political, parliamentary, media and grass-roots levels.

I am grateful to the hon. Gentleman for his important and excellent work in chairing the first half-yearly plenary assembly of SCPI in Scotland at the end of 2003, and for his active involvement and interest in the initiative subsequently. As he knows, the GCPP funding arrangement for SCPI ended in June of this year. However, I am glad to say that the UK Government have contributed a further £65,000 from other budgets to enable the SCPI project to continue to the end of this year. That should be sufficient to keep the secretariat of SCPI open, and to hold a plenary session in the south Caucasus at the end of the year. The work of SCPI has been greatly valued not only by the British Government, but by other bilateral and multilateral donors, including the EU.

The British Government hope that, from next year, other donors will step in to support the initiative and that the south Caucasus Governments themselves will start to take more ownership of the initiative. We have been lobbying the European Commission to provide financial support for SCPI. It was also at the United Kingdom's instigation that the first drafts of the south Caucasus country action plans made specific reference to the importance of co-operation within the parliamentary sphere, in the context of enhanced regional co-operation.

The Government are keen that SCPI should continue for as long as there is a need. I am pleased that the United Kingdom has been able to support the successful initiative in its first three years. As for the hon. Gentleman's specific queries about funding, a distinction must be drawn between the sources of funding for a specific initiative and who should rightfully bear the burden of responsibility for continuing that funding in future, and broader questions about the British Government's commitment to the south Caucasus. It is right and reasonable that we should look to the European Commission and to the Governments of the nations in question to take responsibility after what has rightfully been acknowledged as a successful British initiative.

Angus Robertson: May I have the chance to confirm some facts? Funding for the former Soviet Union budget line has been cut by 50 per cent. last year to this year and funding in the global conflict prevention pool strategy budget allocation has been cut by 20 per cent. last year to this year. Where is that money going?

Mr. Alexander: It is the case that we assess where the global conflict prevention fund resources should be allocated, according to the circumstances at the time. It seems a curious argument to say that, because funding was previously allocated to one area, that should be the base line for funding for all time and in perpetuity. If that were the hon. Gentleman's approach to public expenditure, I would be intrigued because it would not sit comfortably with the claim of the Scottish National party in other circumstances that different priorities should secure funding.

I have some understanding of the hon. Gentleman's argument, not least on the basis of his personal interest in the south Caucasus, but it is neither the right nor responsible approach of the Government to say that, in all circumstances, when a level of allocation of funding is agreed, it should continue for all time. It is the case that there have been changes in light of the continuing pressures facing the Foreign Office, whether in relation to Afghanistan, Iraq or other conflicts in Africa. It therefore ill behoves others who criticise us for our judgments not to recognise that the responsible course is to allocate resources on the basis of where we judge they can be most effectively deployed.

If the hon. Gentleman is maintaining that the benchmark in perpetuity should be the level of funding that was previously allocated, I shall give him the opportunity to confirm that. However, does he accept my argument that we should be able to review where resources, which will necessarily always be limited depending on the broader fiscal pressures that the Government face, should be allocated on the basis of changing circumstances?

Angus Robertson: Is the Minister confirming that the 50 per cent. cut from the former Soviet Union budget line has gone to Iraq, Afghanistan and Africa?

Mr. Alexander: I note with interest that the hon. Gentleman has resisted answering my question. What does he recommend? The fundamental question is whether the Foreign Office should retain the right to allocate resources according to what it judges to be pressing priorities depending on the inherently changing nature of foreign affairs. Given the hon. Gentleman's strong and understandable attachment to the south Caucasus, does he believe that any requirement on the part of the Government to review how expenditure is allocated should give way to an historic commitment to previous budget lines? I disagree with him on the basis of that approach.

We hope and wish that other EU partners will now come in behind the efforts being made by the British Government to enable the Governments and Parliaments of the three south Caucasus countries to build on what has been achieved. However, that is the responsibility not solely of the British Government, as I am sure that the hon. Gentleman's deliberations with the representatives of those countries has reflected, but of the international community and the countries themselves.

Question put and agreed to.

Adjourned accordingly at one minute to Two o'clock.

Westminster Hall

Wednesday 26 October 2005

[MR. DAVID MARSHALL *in the Chair*]

Criminal Legal Aid

Motion made, and Question proposed, That the sitting be now adjourned.—*[Mr. Heppell.]*

9.30 am

Vera Baird (Redcar) (Lab): I must declare an interest at the outset. Before I came to the House of Commons, I earned my living from the criminal legal aid fund. Occasionally, I still do short cases, usually in a recess when people who have more sense are on holiday. Again, that work is paid for from what actually should be called the criminal defence service budget.

The criminal Bar and the Government have recently been at loggerheads about the increase in criminal legal aid. We are told that between 1997—when the budget was £1.5 billion—and 2004–05, there has been a 37 per cent. increase in criminal legal aid, meaning that the total budget is now £2 billion. I shall make a few, fairly basic points. No one can have a fair trial, and all of our much-prized legal principles are as nothing, if people are not adequately represented. "A Fairer Deal for Legal Aid" committed the Government to quality services that were all fairly remunerated. Another fairly obvious point is that it is hard to cap the legal aid budget for crime because, although there are probably some core crimes that are reasonably predictable, one cannot predict when the next great train robbery and subsequent trial will happen. The budget cannot be capped.

There is a good analysis of the changes that have taken place in the criminal justice system over the period during which costs have inflated in some research undertaken by Professors Cape and Moorhead, which I have been privileged to examine. Crime is now falling, but that is a bit of a false point. The real point is: who is being caught and processed? Some 34 per cent. more people are now being charged with offences than at the beginning of the decade, and 18 per cent. more go to the Crown court than at that time. Between 2001–02 and 2003–04—these are the latest figures that I can find—the number of cases at Crown courts increased by 116,000. That is probably because magistrates are sending many more cases that could be tried either by them or the Crown court up to the Crown court, because there is a general trend towards taking cases more seriously and sentencing more heavily.

There are two elements to the average solicitor's costs. One has decreased over the period with which we are concerned and the other has slightly increased, but only in line with inflation, so in net terms solicitors costs have gone down. In the case of barristers' average costs—Members will not be surprised to hear that that is what I am most interested in—standard and non-standard fees, taken together, have sustained a 1.7 per cent. increase since 2001. That is well below inflation. The increase from £1.5 billion to £2 billion has certainly not been caused by lawyers' rates of pay increasing. The main rung of lawyers are getting paid the same.

The increased number of cases that I set out in the estimates from the two professors that I mentioned account for about one third of the increased costs of the criminal legal aid fund. People often maintain that there is a clash between criminal legal aid on the one hand and civil legal aid on the other. It is said that because the criminal legal aid fund becomes larger, civil legal aid suffers. That should not be the way in which things work. There are many ways of setting aside civil cases without having to go to court. Mediation and all sorts of agreements are possible. Crime, by its very nature, must go to court, unless it is at a low level and can be dealt with by penalty notices or mediation. There is not a great deal that be can done to rebalance the criminal legal aid budget with the civil legal aid budget from that point of view.

There is a notion at large—I have seen it in the "A Fairer Deal for Legal Aid" White Paper—that there has been a wilful increase in or acceleration of cases going to court, and that that has been brought about by criminal defence lawyers. That, of course, is nonsense. Who is charged and investigated, what they are charged with, whether they go to court and whether and how their case is proceeded with is wholly in the hands of the police and the prosecution. It is daft to think that defence lawyers can influence that in any way; they simply respond to what they are given.

One third of the increase in the costs of the criminal legal aid fund has come from the increasing volume of cases. It is desirable that more cases should go to court; that is exactly what we all want. The fundamental legal aid review also found a range of reasons why each trial—each case going to court—costs more. First, the charging is better; it is now done by the Crown Prosecution Service, so it is more likely to hold and present a real trial. The combination of the ways in which people are charged has changed and that can have an impact on the costs of a trial.

Changes in the law and, in particular, in procedure and rules of evidence, make a big impact. Under the Criminal Justice Act 2003, hearsay evidence—not testimony from a witness who has seen the relevant incident, but from an intermediary—is now admissible, and is a complicated area in which to argue. The previous bad character of a defendant is now admissible and police officers investigating a crime interview about the crime and the possible bad character of the defendant. There is always an argument about whether the evidence about bad character is admissible.

Adverse inferences are drawn about people who choose not to speak when interrogated by the police. There is the thorny question, in respect of which the Government have rightly legislated, of the admissibility of the previous sexual history of a complainant in a rape trial, and that inevitably gives rise to a long argument in court. I am not complaining when I say that since we came to power there have been 700 new criminal offences. All that adds up to why there are not only more cases—that is good—but why they can take longer when they get to court.

I shall give one specific, strong example. We introduced the excellent Proceeds of Crime Act in 2002. It is used mostly for drugs cases, although I am not sure about where the bulk of its recovery comes from. Historically, it was possible for quite a long time to recover proceeds of crime at the end of a trial, but until

[Vera Baird]

the 2002 Act came into force, that was a bit of an afterthought and not pursued with a great deal of vigour; the point was seen to be to get the guilty man down, not so much to recover the money.

However, thank goodness, the Government had clear vision: the point is not only to give the guilty man his number of years, but to make sure that he does not just regard those as an overhead of his business because he has plenty of money to come out to when he has finished his time. We must take all his proceeds of crime away as well. That new imperative is excellent, but involves hugely complex proceedings—tracing money through all sorts of deliberate hiding places, examining evidence from the police, the involvement of the Assets Recovery Agency, complicated mathematics and complicated legal presumptions. All these things do not add to the number of cases coming to court because they are an addition to the cases that are already coming to court. They do not add to the conviction rate either, but are an extra charge of work that follows on, as night follows day, from any serious crime that has had monetary profits.

There are unforeseeable consequences, too. If somebody is charged with a serious drugs offence, they are looking at a long sentence, whether they are a suckling mother with a lot of social problems or a really hardened criminal. Sentencing for drug offences is much the same across the board. Perhaps people can be persuaded to plead guilty for a discount on plea if they are almost inevitably going to be convicted; they might get three years knocked off an 18-year sentence. However, one might have to persuade them to plead guilty even though a proceeds of crime action will follow, which will take their money away as well.

The presumptions in the 2002 Act are harsh, and rightly so, and they have had this effect: if a person does not have the money any more, and the Assets Recovery Agency says that they have had it, they will serve one, two or three extra years in custody. Someone might plead guilty so that their 18 years gets cut to 15, but if the sentence will go back up again to 18 years because of proceeds of crime findings, they will not plead guilty. They will have gained nothing by doing so. That is one rather extended example of how life in the criminal courts has become much more complex. It is almost always the case that when sentences are increased more people fight cases instead of considering pleading guilty.

That point stretches over other examples of our changes. In February 2000, our White Paper, "Criminal Justice: The Way Ahead", talked about injecting new resources into the criminal justice system—9,000 more police recruits, 7,000 extra Crown court sitting days and 2,600 extra prison places—but there was no indication that the implications on the legal aid fund were ever examined.

The narrowing-the-justice gap project was launched in 2002. The target is 1.25 million offenders brought to justice by 2008, which represents an increase of 150,000 on 2003 levels. There was no reference to the impact on defence legal aid as a result of that. The point is a pretty simple one: no one seems to cost the implications for defence legal aid of new legislative change. That is silly. To have excellent changes brought in with a fanfare but then to say, "Goodness me, there is a £130 million overspend on the budget" is no way to control a budget.

Mr. Dominic Grieve (Beaconsfield) (Con): I could not have said better myself what the hon. and learned Lady is now putting before the Chamber. Does she recollect that when the Proceeds of Crime Bill was considered, the implications of the original rules which meant that somebody would be entitled to legal aid to resist a confiscation order because they would not be able to tap into their wealth during that period were pointed out? I regret to say that the Government ignored that and were obliged to change their position subsequently. She might also recollect that.

It is not a question of the Government not having had these things pointed out to them. There seems to have been a degree of their blinding themselves to the obvious about how the costs would be ratcheted up.

Vera Baird: I recall the hon. Gentleman being in Committee on the Proceeds of Crime Bill Committee with me and making that rather detailed and particular point about how the impact on legal aid would arise from the existence of resources in the hands of a defendant and from his eligibility.

My point is a broader one. If we are to have the criminal justice system to be proud of that we want, it is obviously imperative that there is proper costing. One fears that if there is no proper costing ahead of time and suddenly there is an overspend, the brake will be put on criminal legal aid, exactly as is happening now. It is quite easy politically to say, "Are we going to pay more money to these rich lawyers to defend all of these guilty people?". Let us consider the politics of the alternative. A Government cannot say that they will cut police costs to bring fewer people to custody or cut CPS costs to bring fewer prosecutions. There are brownie points and Crackerjack pencils for telling the public that cash is being poured into the police.

The costs of the criminal justice system generally, leaving aside legal aid, have increased by 46 per cent. in the same period that we are talking about legal aid having increased. It is hardly surprising that defence costs have increased as well.

I fear that it is too easy to take the option of attacking criminal legal aid and talking about lawyers and guilty people. Something obvious, but which needs saying, is that quite a lot of people who are brought to trial are not guilty; quite a lot of people are, but quite a lot are not. Perhaps they are found not guilty because they have been misidentified, which happens quite a bit. They might have been accused by their enemies, who were fitting them up. They might have been innocent dupes for other criminals. They might have been forced under duress to commit crime; many women are forced into drug crime by violent partners. They might have been pressurised by gangs, as many men are, into committing offences that they did not want to commit.

People who are charged with violent crime might have been defending themselves, and the argument is whether they have gone too far and whether they were entitled to do what they wanted. People who are charged with murder might have been provoked beyond any prospect of human toleration—for example, some women who

finally turn on their violent partners. They are not guilty of murder. The question is: are they guilty only of manslaughter?

Some people are not guilty because they are mentally ill; there are quite a lot of such people, and some of them end up in our prisons. Some people are not guilty because they are charged incorrectly. Sometimes people are not guilty because scientific evidence is inappropriate; for instance, a paediatrician said that the odds against a repeated number of cot deaths in one family was one in 73 million when in fact it was substantially less, and that brought about incorrect guilty verdicts. Let us talk plainly: people are also fitted up by the police. I am not saying that that happens every day, but it does happen. It is imperative to understand that a lot of people are brought to trial who are not guilty and who are in dire distress because they are falsely accused. They must be represented properly.

I want to add a notion that is, perhaps, unpopular with the public: the guilty must be represented properly too. I found out clearly from my involvement in the Fawcett commission on women and criminal justice that there is a crossover; people who are victims one day are often criminals the next. Half the women currently in prison were previously the victims of serious domestic violence. We have failed them already by allowing that to continue. It is well known that on average there are 35 occasions of sustained violence before a woman makes a complaint to the public authorities, and those authorities do not then do a great deal about it, although we are improving. When someone is under the pressure of that sort of victimisation, and when society fails them once, it is not a big surprise if their lives then become chaotic, and they leave and start to steal to keep their children, or they turn to drugs to try to cope with their suffering, and they end up in prison.

Guilty people are not all black through and through. It is important that they are represented, not only for their sake, but for the public interest, because they must get a sentence that will help them get out of the situation they are in, or else they will just keep going around and around in the criminal justice system. We need good and adequately paid defenders.

Let us consider more closely the Bar's claim that it is being hard hit. I think that solicitors have some concerns as well; I see that some of them are present, and I am sure that they will raise those concerns. However, I have made it clear where my main interest lies. One third of the increase in legal aid is caused by the volume of cases, and one would guess that one third is caused by the increasing complexity and the addition of a range of new offences, but there is no increase in the Bar's rates of pay. There are, however, high-cost criminal cases. That situation must be tackled, and it is being tackled. The top 1 per cent. take half of the entire legal aid budget—that amounts to 2,000 cases. If we were to change the way in which they operate and make them cheaper, that would be the same as changing the 18,500 other cases that appear before the Crown court.

Apparently, a top 10 barrister earns on average £724,000 in legal aid. They work on fraud, serious drugs, murder, multiple defendant, and long and complex cases. Those cases last too long, so the Government will now have judges manage them. There will probably be too many representatives in multiple cases. Conflicts between defendants are often not as great as they first appear. There are often too many charges. There is often too much disclosure. All of that is being ramped back, and the Government's documents make it clear that they identify as the real issue the need for proceedings to be made shorter. Therefore, there will be no increase in pay rates, and where the increased costs have bitten hard in high-cost cases, the duration of the cases will be cut because they last too long.

Why are the Government cutting pay rates? There has been no real increase in barristers' fees—only 1.7 per cent. over the past few years. The Bar would say that there has been a decrease of 24 per cent. if everything is added up and inflation is taken into account. I am not prepared to arbitrate in respect of those two figures, but it is clear that the Bar is not getting any more money. Why are the Government seeking to cut Bar fees? They must think that the Bar was earning too much. Was it? That is a question primarily for Lord Carter and his review.

On average, the top 10 Queen's counsels earn £725,000. For most cases, most QCs are paid graduated fees, which have been at a fixed level since 1997. The fees are set at a fixed daily rate according to whether the case is in the A class in respect of a murder or in the B, C or D class in respect of pinching a car. There is an uplift for the length of the trial; it is a proxy for the complexity that is implicit in a longer trial.

Are those rates too high? A Bar Council briefing paper that is intended to rouse sympathy about such matters states that a QC handling a top case—an A case in respect of a murder or other serious matter—will have had his pay cut by £6,000 for the average 20-day trial. He will have his pay cut by £8,240 for an average 25-day trial because of the recent cuts brought forward by the Department for Constitutional Affairs. The principal element of the cut is that there used to be a mark up of 25 per cent. between an ordinary barrister and a QC. That has been halved. Thus, 12.5 per cent. of the fee has been reduced.

The Bar Council estimates that for a 20-day case, of the £6,000 less fees that the QC will receive, £3,800 of that sum is due to the halving of the special margin for QCs. Therefore, QCs have lost £3,800 by having 12.5 per cent. taken off their fee. What would they have received in the first place for a 20-day trial? That is pretty simple to work out. We must multiply £3,800 by eight, which is about £30,000 for a 20-day trial. That is an approximate figure; none the less it is telling. The raw point made by the briefing paper is that, overall, a QC will lose £6,000 for a 20-day trial. However, many people would be happy if they earned £6,000 in 20 days or even in a month.

Given what is intended to be a sympathy-evoking declaration by the silk level practitioners of imminent poverty, we need not worry about them too much. Although I am a QC, I come from an unskilled working-class home and the levels of pay at the Bar must be seen through my eyes. They are extremely high, no doubt because the Bar continues primarily to attract people who have a good deal of self-confidence, and that has an obvious resonance with those who attended public school. Although it happens less now, historically the Bar tended to attract confident, well-off public school people. Their expectations might be much higher than mine, but the fees are good.

[Vera Baird]

I should have thought that there is no problem at the top. If it were feared that QCs will flee into the commercial sector, all right. The Bar is pretending that it is having difficulty recruiting and retraining—and it is a pretence. I am beset by people who are desperate to join my chambers. People are trained, but they have no pupilages and they need to get into chambers. Given the figures that I have outlined, it is not surprising that many people are hammering at the door. Furthermore, it is an exciting life. Life at the Bar is extremely intellectually challenging and rewarding. It is a good job and there will always be people who want to do it.

I wish to digress for a minute. What I am about to say must be a forgivable aside. When I was at the Bar, I led as a junior for 12 years before I became a QC because my face did not fit with various Conservative Lord Chancellors. I was leading in cases with many QCs. I was the ugly duckling at the trial. One day, however, suddenly through the letterbox comes the transformation into the white swan—the letter. One gets a big thick letter if one fails to get a QC's job, and a thin piece of paper if one has succeeded. One is transformed by its receipt. One must immediately put on a different kind of jacket, walk considerably taller and not be talked down to in quite the same way by the judges at the Old Bailey.

One becomes worth 25 per cent. more in one's fees that day, and they never go backwards again. Now, the increase is only 12.5 per cent., but I wonder why I was worth any more on Tuesday than I was on Monday. We should think a little bit about that when we worry about the level of fees at the top end.

The lower end of the Bar is a different kettle of fish. I know that my hon. Friend the Minister will tell me that the fee for the junior Bar for a one-day trial is about £400. However, the fee that sticks in my mind is her quotation that a three-day trial is worth about £1,300—a good rate of pay, as she would say. It is important to understand that "the junior Bar" has two different meanings. When my hon. Friend talks about it, she thinks that she is talking about the poor, young and new entrants. That is not the case. Everybody who is not a QC, who has not become a white swan, is a junior barrister. I once led a junior barrister who was 83 years old; it is just the name given to non-QCs.

Members of the junior Bar do not get three-day trials for a long time after they get the job. They are the ones who for £50 appear for a bail application. I know that my hon. Friend thinks also that they can do a dozen of those in a day, and that that is not a bad rate of pay; however, they are lucky to get two, or three at the most. They may have to prepare for an hour, talk to their client for half an hour and travel two hours from one end of London to the other to get their £50 and their wonderful exposure to a solicitor who they hope to goodness will be so impressed by the way they say "My Lord I apply for bail" that he will instruct them thereafter on £1,300 three-day cases.

They get £50 or thereabouts for a cracked trial or for a guilty plea. Some trials are always going to crack, and no one does a great deal of work on them; however, they often crack at the last minute when the defendant faces the door of the court and changes his mind. One can read a trial for two or three days, delve into the library for a month on one point, organise a conference with one's client and travel across London, and get £50 for it.

That is the life at the junior Bar for a sizeable number of years, and the pay is very poor. One hopes upon hope for the £1,300 three-day trial, but it takes a long time.

Jeremy Wright (Rugby and Kenilworth) (Con): As a former member of the junior Bar that the hon. and learned Lady describes, and in every sense of the word junior, I recognise a great deal of what she says. Does she accept that from those figures quoted for junior Bar earnings, one must deduct one's clerk's fees, taxes and anything else that one may need, which in another profession might be provided for? The figures that one ends up with are therefore much smaller than those quoted.

Vera Baird: The hon. Gentleman comes from old-fashioned chambers if he pays clerks' fees these days. We withdrew a long time ago our clerk's power to charge fees. However, there are chambers overheads. I have no idea what the hon. Gentleman's are, but mine are about 20 per cent. One must pay to get across London and to buy nice clothes to look respectable, so overheads certainly come out of that.

If the Bar Council is right that graduated fees have been kept the same since 1997 and there has been a 24 per cent. cut, we are visiting an awful lot of penury on our young people. It is a concern for young people that I primarily raise. The Bar has been an exclusive club historically, and I do not know how I managed to sneak in by the back door. However, it is breaking open to more people from ordinary schools with ordinary backgrounds who are keen to come through. It is in everybody's interest that the Bar represents a cross-section of our society. That is good in itself, as those people are entitled to the opportunity of having such a wonderful career, which it truly is. In addition, we want a judiciary that represents a cross-section of society. By and large, it is still chosen from the Bar, and probably will be for a long time.

Let us carefully consider the junior Bar. There are two sides to the story about the Government, the Bar and criminal legal aid fees. First, an enormous number of increases were not costed, and those increases have run away with the DCA's budget. Do not blame defence lawyers for that—it is not their responsibility. Secondly, the leaders of the Bar with whom the Government negotiate are at the overpaid, posher end. Do not neglect the younger, poor people at the bottom. The last time I went to the Old Bailey, the conversations at the senior end of the robing room were about skiing holidays and the nanny's sports car, but at the junior end they were about loans for tube passes and paying student debts.

10.1 am

Mr. Elfyn Llwyd (Meirionnydd Nant Conwy) (PC): I congratulate the hon. and learned Member for Redcar (Vera Baird) on securing this timely debate. She gave an expert oversight of the current position. I declare an interest. I am a barrister, and I occasionally practise in the criminal courts and do some criminal legal aid work. For 20 years, I was a solicitor doing such work.

I want to discuss the situation pertaining to the Bar and some views put forward by the Law Society. The hon. and learned Lady gave a fair account of the concerns at the junior end of the Bar, but I take slight issue with the impression she gave that those who are leading the charge on behalf of the Bar Council are, perhaps, more concerned about their fees as silks than about the junior end. In fact, every communication that I have had from members of the Bar Council who are concerned about the situation has stressed the effect on the junior Bar, referring en passant to their own position. As she knows, the top end is very well paid—only a fool would deny that that is true—but, as she says, the pay can be meagre at the junior end.

In a recent pronouncement, the Minister said that it is possible to do between 10 and 20 bail applications a day. That is palpably ridiculous. I am not sure how that could possibly be done, even with the ill-fated night courts, which have been discontinued. Also, the Government paint a picture that everybody at the Bar is rolling in money and that they do not know what to do with it all. That is simply not true.

Vera Baird: I hope that I do not appear greedy by intervening on the hon. Gentleman straight away.

I am worried about the poor representation of the younger Bar by the more senior Bar because of the "strike", which was, frankly, encouraged by the Criminal Bar Association. Members have been asked to decline to take any brief that comes in after a particular date in October.

When I was a silk—it will be the same for the hon. Gentleman, who is a senior member now—my case diary was full for months, perhaps even a year ahead. Not taking a case after 1 October would have been no skin off my nose, if I may use a colloquialism. Long before the strike ended, I would have had plenty more cases coming in, and I already had a year's work. The youngsters who get a brief today and have to go to the magistrates court with it tomorrow are the ones who will suffer. That situation was encouraged by the leadership, and I do not like it.

Mr. Llwyd: The hon. and learned Lady is absolutely correct. Several people in my own chambers in Chester are agonising over the problem. I suppose that, by nature, barristers are not likely to strike, but many junior members of my chambers are very concerned. They do not want to stand out and take work that might have gone to others who have declined to accept it. At the same time, exactly as she said, they are at the lower end and have bills to pay.

Also, everyone in chambers has received a letter from the Crown Prosecution Service. The letter sent to those on the Wales and Chester circuit and the letter sent to those on other circuits have common paragraphs, one of which is rather threatening. I forget the wording now, but in effect it says, "We are watching you. If you decline briefs now, we will see how we get on when this is all over." That is very worrying for a junior member of the Bar.

There is also the issue of preferment. Many in the judiciary privately believe that the action is right, but that it will inevitably create some difficulty in the courts—not at the higher end, where the diary is full for 18 months, but at the lower end, where people decline to take briefs for the reasons outlined. There is concern that that might impede appointments. All those things have to be considered, but members of the junior Bar are desperate. That is why they are taking action, as I said. They do not lightly undertake what is tantamount to a strike.

I will truncate what I have to say, because the hon. and learned Lady put the case extremely well, but I shall give a bit of background. The graduated fee scheme was introduced in 1997. It was meant for one to 10-day cases and provided weightings to reflect different elements in cases. The original rates for 1997 were based on 1995 fee levels. They have not been increased since then, and that in itself is a real-terms cut of 24 per cent. In 2001–02, there were more than 17,000 one to 10-day cases, and the average cost was £1,587. In 2003–04, there were 19,000 such cases, but the average cost was lower, at £1,541. There is already pretty firm control in that area, and I believe that that is right—there has to be a control on public spending; that is obvious.

In 2002, the graduated fee scheme was extended to cases of up to 25 days, with a gradient introduced for longer cases. That in itself provided an important weighting to reflect the gravity and complexity of the longer cases, but there was no increase in rates. In fact, the figure delivered proved to be much lower. So there had been another significant cut to what had been paid before.

Finally, in the summer of 2004, the Department for Constitutional Affairs accepted that it had got it wrong. It increased other weightings to make good the shortfall for future 11 to 25-day cases, and extended the fee scheme to 40-day cases. More than two years had passed and the payment was written off, but the DCA promised a vital review of the whole system, to start in May 2005. In the meantime, the total spending on criminal defence rose by little more than half the rate of inflation between 2001–02 and 2003–04.

Everybody here, and, I am sure, those outside, will be concerned about very high-cost cases. As the hon. and learned Lady said, up to 50 per cent. of the budget goes on a very small number of cases—perhaps as small a proportion as 1 per cent. Clearly, that needs to be addressed. However, to put a fair case forward, that probably would not detrimentally affect the junior Bar.

With regard to cracked trials, the Criminal Defence Service (Funding) (Amendment) Order 2005 cut the amounts to be paid when cases "go guilty"—in other words, for cracked trials. Guilty pleas are often entered on the day when the trial is meant to commence. That order took £15 million out of barristers' Crown court fees. The saving has not been redistributed to the underpaid one to 10-day cases. On 5 July the DCA announced the removal of the gradient for cases of over 10 days. That reduced the fees payable in those cases to hard-pressed members of the junior Bar by an average of 15 per cent.

Mr. Grieve: Does the hon. Gentleman agree that the approach to cracked trials is particularly bizarre? It is desirable that trials should be resolved as early as possible to escape some of the costs. A cracked trial saves money because it is an indication that the trial itself will not take place, yet a series of penalties seem to

[Mr. Grieve]

visited on the Bar in relation to them. Does he share my view that that is a bizarre way of approaching the problem?

Mr. Llwyd: It clearly is. To add to the problem, the preparatory work has all been done. Often, all that remains is to have a final conference with the client. Then, suddenly, the client finds out who the judge is and decides to change his plea, or changes his plea for some other reason. There is a perverse logic in there somewhere, but I am not sure where it is. However, the work has been done and should be paid for. If cracked trials could be foretold, that would be entirely different. With his experience of the Bar, the hon. Gentleman knows that nowadays there are forms to be filled in on everything. If there is even the least suspicion that a case is going to crack, a form might be filled in weeks beforehand. So I agree: it is a strange position.

In summary, the DCA proposes, first, to reduce payments to Queen's counsel for every type of case by 12.5 per cent. and, secondly, to remove from all advocates the entire length of trial uplift in fee cases of more than 10 days in length. The effects on Queen's counsel defending in longer terrorism, murder and other grave trials will include a reduction of between 20 and 30 per cent. in the fixed fees agreed in 2001. For junior trial advocates, the reductions will be even more severe. In a five-week serial rape trial, the defence counsel's fees would be reduced by more than 40 per cent. on the 2001 rates. Can anyone imagine having to live with that reduction? That is what will be visited on the middle junior rank—if I can put it that way—of the profession. The Bar Council clearly believes that the measures will have an unintended and disproportionate effect on the junior Bar.

I also want to say something about the Carter review. The Bar Council has been engaging positively with the process and with the legal aid procurement review that is being conducted. The Government are giving the impression that barristers have said no and that they are selfish people who have walked off and thrown the papers up in the air. That is absolutely untrue. There has been meeting upon meeting about this problem over the past months. The case of the junior Bar has been pleaded on several occasions, although perhaps not as vehemently as it should have been, as the hon. and learned Lady said. The response is still developing as far as the Bar is concerned.

What is to be done? Clearly, issues do exist and there must be a brake. It is impossible to have a cap, but there must be some form of adjustment. When I was first elected in 1992 I suggested to the Government that the criminal legal aid budget could be cut by £47 million per annum. I realise that that is not a lot in comparison with the total amount today, but it was quite a substantial sum then. When I first started as a solicitor, I frequented county courts, where a tight appointments system operated. If a person's case was listed at 12 o'clock, they appeared at a quarter to and were not left hanging around. However, in the magistrates courts, I was very often one of a dozen people who were sitting around all day waiting to have their case dealt with. We were all being paid on legal aid rates at the time.

I suggested that there should be a proper appointments system and good case management—that term was not used in those days, although it is very much in vogue now. There should have been some intervention at that stage and, had there been, figures from various university departments showed that a saving of £47 million could have been made without any detriment to the person before the court or to the legal profession. That would have been a more efficient way of doing things. To my knowledge, that has not happened, and I am sorry about that. Hopefully, that might be re-examined because it could produce a substantial saving.

It is clear that we need to examine the role of the judiciary in efficient case management and to have better listing, enhanced use of IT and quality control. In most Crown courts, two or three trials are still listed for the same day and someone will not know until they get to court that their case will not be heard that day—although it might be heard later on if one of the cases cracks. A huge amount of time is wasted and practitioners are paid for that wasted time. That should be examined far more carefully. We could make savings without having an impact on anybody. Practitioners could be elsewhere—doing work in chambers, for example—and could come to the court when they know that their trial is about to commence. That is a common-sense approach, which unfortunately has not curried favour with those in power in the Department.

The hon. and learned Lady referred to the work of Professors Cape and Moorhead, so I do not propose to go over what was said. However, lots of complicated drivers are involved. It is not a simple case of lawyers being paid more in some way. That is the last thing that has happened. More people are coming before the courts. More people are being sent up for sentencing from the magistrates courts to the Crown courts. In addition, the work being done in the magistrates courts is of a broader range than it was; district judges—who used to be called stipendiaries—take some serious cases in the magistrates courts. Things have changed and there has been a speeding up of criminal offences. As she said, more than 700 new criminal offences have been created since Labour came to power.

There is something unfortunate about the timing of the Carter review, because cuts were made to the level of fees while it took place. We are now supposed to wait until May 2006 to find out what Lord Carter thinks about that. That is an extraordinary way to do things. We should wait for the review and then introduce whatever measures it suggests. That is a common-sense and business-like way of doing things, but it is not the way in which the Government decided to proceed. Some of us thought that they were going head on into this collision and that they intended to do so.

We read about the so-called fat cats on their vast fees here, there and everywhere. If I may digress, the current Attorney-General and the Lord Chancellor are not exactly slim Jims themselves. It appears that they have little knowledge of the criminal system, but great knowledge of the civil system. They were adequately paid in their days in the profession. I would not level the term "fat cats" at them, but they were not slim Jims.

I agree that some changes need to be made. The very high-cost cases need to be addressed, but in addressing them the Government should not think that the things they do will not affect the junior Bar badly, because they will. It is vital for the process that there is a good independent junior Bar. Both the Law Society and the Bar Council are agreed on that.

The idea of price competitive tendering for criminal legal aid in the solicitors' profession will be detrimental. That is not because the solicitors' profession is not prepared to enter into a competitive field. It is already in a competitive field; it now advertises. In my day, that was taboo, but advertising is done in the strangest places every now and then. The problem with PCT is that unrealistically low tenders are made to secure the work. Something is inevitable: unrealistically bad advice might well ensue, and that has an impact on the public. The system is not consumer-led and might well impact badly on the public. That concerns lawyers. They are not always obsessed with themselves. They are concerned about their clients and the system within which they work, and they can see that competitive tendering is a very bad idea indeed.

Means-testing in magistrates courts is sensible and it should have come back a while ago. I could not understand why it was done away with and I applaud its return. If a person can pay for part or all of their costs, why should they not do so? I fully endorse that; it should assist matters. However, I hope that the money recovered will not be swallowed up in administration. I recall how easy it was in the 1970s to make a legal aid application in court—it could be done within minutes of a hearing. If it worked then, it should work now. Let us keep it simple and not have a huge bureaucracy and a means-testing Tsar in every court, and that kind of palaver. Let us ensure that the costs recovered go in the correct direction.

I am worried about the effect of competitive tendering on the solicitors' profession, but also about the current proposals for the junior Bar. I hope that the Minister will listen to what has been said and is prepared to enter the final months of the Carter review process with an open mind. That, I am afraid, appears to have been lacking in the past few weeks. She said last week that getting legal advice should be as easy as buying a can of beans. With respect, her Government's proposals do not add up to a row of beans.

Mr. David Marshall (in the Chair): I intend the wind-ups to start at 10.30 am

10.22 am

Mr. David Burrowes (Enfield, Southgate) (Con): First, I declare an interest: I practised for 11 years as a criminal solicitor and I am a consultant solicitor-advocate.

It should be acknowledged that we criminal legal aid practitioners are due a makeover. It would be interesting to see what Trinny and Susannah would make of us; the public perception of us is dim and, given the Government's approach to legal aid, their perception must be similar. We seem to be fair game for cuts because the public perception is of well paid lawyers ripe for picking.

The reality is, however, that criminal legal aid practitioners perform very good services, and I shall concentrate on the solicitors' end of the system. Few professions have to deal with the demands and pressures that are placed on criminal solicitors. There is little appreciation of what our working environment is like: it is often an airless, smelly police cell or, if we are lucky, an interview room. We can be working at any time of the day or night—indeed, we often have to give advice in the middle of the night and we deal with the most vulnerable in our community. Many of our clients suffer from mental illness and some are dangerous, but all have their liberty at stake and are dependent on quality advice. That is the reality that faces many solicitors day in, day out, but they also face the reality of their pay having effectively been frozen since 1993.

It is important not to pigeonhole things, however. The case for criminal legal aid is not so much about how good solicitors and barristers are, but about how good a criminal justice system we want. In many ways, the Government's approach is piecemeal, because they pick off issues. First, they remove means-testing in the lower courts and then try to return it in the Criminal Defence Service Bill. If they had asked us practitioners, we would have told them that costs would rise if they took away means-testing, but they did not listen to us. They then quite properly brought in a case-management approach, but did not test how that would work or deal with the costs.

We have had a plethora of new legislation, and the effect of new criminal offences is seen in the courts. There are profound demands on the lower courts and there are changes in sentencing. Solicitors often have to pick up those pieces and apply them in magistrates courts. In youth courts particularly, one has to perform incredible mental gymnastics, straddling the statutes over many years to provide a proper service to clients and the courts.

It is important to realise what are the duties of solicitors in youth courts. They have a statutory duty to prevent reoffending; that is what they are involved in doing. To ensure that they are part of the proper operation of the criminal justice system and that there is quality advice and representation, they must be properly rewarded. Politicians and people in our communities go on about antisocial behaviour as our No. 1 priority, but no campaign leaflets mention a priority to increase the remuneration for lawyers to help ensure that we tackle antisocial behaviour. However, solicitors have a statutory duty to prevent youths reoffending.

There needs to be a proper appreciation of the role of solicitors, and they need to be properly rewarded. It is important to have good quality lawyers in the system, so that we have a criminal justice system in which the public have confidence and which ensures that we have fair trials, proper sentencing and that people do not re-offend.

The Government have rightly looked at high-cost cases, but they were wrong to look at the lower courts. They are dealing with the lower courts by introducing price competitive tendering and by squeezing solicitors' costs, but they should look elsewhere. When they criticise defence solicitors about adjournments, they are aiming at the wrong target. They should be looking at the listing in courts and the delays in coming from the prison van day in and day out, as people wait to represent their clients.

[Mr. David Burrowes]

On price competitive tendering, the Government are focusing on the lowest common denominator, which, in reality, will be price. That will undermine many of the worthy intentions in the criminal justice system, and it will effectively lead to time being called on local solicitors' firms. Local services will be undermined. Many clients will no longer have access to the representative of their choice. Many individuals employed in law firms and associated occupations will lose their livelihoods. The larger, out-of-area, specialised firms will take over. In London, there will be a particular problem. Black and ethnic minority solicitors and firms will be disproportionately affected by price competitive tendering because of the number of them in the capital.

The Minister shakes her head, but we should debate why that is happening. Let us consider the Criminal Defence Service Bill. Do we need savings while the contract regime is in place? There is no evidence that the costs of lower court work are increasing. Indeed, the Minister's Department recently predicted that there will be a decrease in her budget. Therefore, why is she focusing her attack on solicitors with price competitive tendering when there is good control? For the first time in many years, there is control of the criminal defence budget. As there is control in the lower courts, why are the Government pursuing the attack on solicitors?

In particular, why are the Government intent on introducing price competitive tendering? Why, when Lord Carter is conducting a review into price procurement, did the Minister two weeks ago go to a legal practitioner action group and clearly suggest that the auction process will begin in April 2006, that the Government's mind is made up, and that they will not even take into account Lord Carter's views on procurement?

I want the Minister to take on board what has been said about the criminal Bar and solicitors, and the need to support criminal legal aid. She should do so not so much with regard to the pay packets of solicitors and barristers, but in order to support the criminal justice system.

10.28 am

Jeremy Wright (Rugby and Kenilworth) (Con): I should also declare an interest: I am a non-practising member of the criminal Bar.

As the hon. and learned Member for Redcar (Vera Baird) said, the difficulty with what the Government have in mind in relation to criminal legal aid is that although the junior Bar would probably have no objection to the redistribution of money from the top ranks of the Bar to the lower ranks, that is not what is going to happen. The Government have indicated that cuts will be made at the lower ranks of the Bar to the criminal legal aid budget, but there will be no corresponding transfer to those ranks. That will create a number of significant difficulties.

There is no doubt that there is room for reform in the system of payments to the Bar. I accept that the current system is ridiculous. Based on the amount of preparation I do on a Monday night for a Tuesday morning case as a member of the Bar, I could be paid £46.50 or £1,500, depending on factors completely outside my control. Whether the defendant and witnesses for the prosecution turn up determines my fee. I do not suppose that many of my former colleagues at the junior Bar would object if the Government came forward with a sensible proposal for payment of criminal barristers according to the work that they do. The problem is that that is not the proposal and the Government are making cuts without completing the wide-ranging Carter review. The Government promised a review in May but it did not materialise. The criminal Bar has been waiting a long time for the Government to explain their long-term vision.

The hon. and learned Lady summed up the issue well. It is not whether we pay high-ranking barristers £200,000 or £300,000 a year; it is whether we can attract the best quality applicants to the junior criminal Bar, and not—this is where I disagree with her—because we compare the earnings of the junior Bar with average earnings throughout the country. We need to attract the best quality advocates to do the vital job of defending and prosecuting in our criminal courts because they could instead go into other strands of the legal profession, such as the commercial Bar. They could become commercial solicitors or go into other professions with far higher rates of pay. Barristers spend a lot of time and, now, money to train for the criminal Bar. We need to attract them and to retain them. It is not automatic that those who join the criminal Bar become silks and make the sort of money that has been mentioned. It is the junior Bar that needs the Government's attention. I hope that they will give it that attention and that they recognise the problems.

10.31 am

Simon Hughes (North Southwark and Bermondsey) (LD): We are all grateful to the hon. and learned Member for Redcar (Vera Baird) who, as we expected, clearly and, I hope, effectively put the case for an honest appraisal of what the criminal justice system needs in terms of legal aid and the way forward. I have no fundamental difference with her. At the end of the debate, the Minister will have heard a collection of people from both sides of the House putting a collection of compatible views that I hope will be taken into account by her Department when it assesses the way forward.

For the record, I am a qualified barrister and a member of chambers, although I have not practised for several years. I do not come from a family of professionals or lawyers who had been to university for generations. Like the hon. and learned Lady, I was the first member of my family to go to university. I made my way with no spare income, living on almost nothing for many years, going not just around London but on the midland and Oxford circuit from Lincoln one day to Gloucester the next, often getting up at 5 am and returning at 11 pm. In the very early days I often went to court to find that what I had prepared to do did not happen, as the hon. Member for Rugby and Kenilworth (Jeremy Wright) said, through no fault of my own. That has not fundamentally changed.

I shall refer to some of the comments that members of the Bar made in the survey of the criminal Bar that was carried out during the summer. There are some areas of agreement. Everyone agreed that the Government are

right to concentrate, as the Lord Chancellor announced, on bringing down the cost of the most expensive criminal cases. Everyone realises that we must not be distracted by, but must deal with, the fact that some people at the top end of the profession have earned—and been well publicised as having earned—record sums from criminal legal aid. It is right that that is sorted out. It is also right that we give what attention we can to mediation and pursue non-court-based solutions for dealing with crime. The purpose of an initiative piloted in the Thames valley area where victims confront offenders is to get a more acceptable outcome than going to court and putting away offenders, who re-offend when they are released before going round the circuit again.

I want to reiterate and add to the points made about why we have seen so much increase in that area of spend, and I have a specific question for the Minister. The increase is because more offences are being rightly cleared up. There has been huge pressure to do so. The average figures showed that about only one quarter of recorded offences were cleared up. In London, the figure was 12.5 per cent. The greater the clear-up, the more likely cases are to go through the courts.

Charging is getting better. Many of us supported taking the responsibility for charging away from the police and giving it to the Crown Prosecution Service. However, it means that more work follows. It is true that the law is often complicated and that there are more trials within trials.

My assessment is that the number of new criminal offences is underestimated. I remember asking parliamentary questions some years ago, and then the figure since 1997 was 600 plus. It is now likely to be 1,000 plus, and after this debate I shall table the appropriate parliamentary question to obtain the latest figures.

The reality is that the Government have created offence after offence. They often create offences and legislate, rather than improve administration. The reaction of this Government is always to legislate and to create more offences to deal with the problem, rather than sort out the administration.

Will the Minister consider the idea that when we put in the explanatory notes to a Bill on its financial effects, a section also sets out its financial effects on the criminal justice system? They should be assessed. I do not think that they have been, and I should be grateful if the hon. Lady would confirm that. If that is so, will the idea be considered not only by her Department, but throughout the Government?

My second question to the Minister is: how many failed prosecutions are there? Prosecutions will fail because many people are innocent. The hon. and learned Lady rightly reminded us that there are two basic principles: first, the human rights principle that everybody is entitled to a fair trial; secondly, if one is charged, one has certain rights under article 6 to be informed promptly, to have time and facilities to prepare and defend oneself on one's own, or with legal assistance of one's own choosing, or, if one does not have the means to pay, to be given it free.

Many people taken to court are not guilty, and they are rightly acquitted, but it would be helpful if the Minister in her winding-up speech were to remind us how many failed prosecutions there have been. A huge amount is spent on the preparation of cases that collapse. In the end, the money is wasted in some ways, but not on the recipient who has to do the work in any event.

There are other smaller causes of waste. I remember going recently to a magistrates court in the part of the world which the Minister and I represent, and just as before cases were listed in which not all papers were ready. That was not the fault of the prosecuting barrister or solicitor, but of the system in which the CPS had not caught up with its obligations. That still happens, and we shall never have a perfect system. The problem is to do with listing, planning and the necessities of courts.

If we are to ensure that costs are reasonable, the review that Lord Carter commissioned, which forms the background against which we are all speaking, must be a proper one. The fair system of legal aid announced by the Lord Chancellor must be complemented by a fair system not only for the taxpayer, but for those who are paid to do the work.

I wish to make two points about the two issues on the agenda. Along with those in the profession who have been consulted, I, too, presume that the tendering process has prospectively huge disadvantages. It means that one will not be able to take on the firm and the people of one's choice; one will have to bid for the lowest price, which may often be a low-quality product. The old, traditional system—the market—that determines that one gets the work if one is good and does not if one is bad takes care of that. I should leave that system to continue to work as it has done.

Secondly, I want to reinforce the point that the hon. and learned Lady made about pay scales and the position of younger people in their first 10 years in the junior Bar. I share her view that, at the top end, people may be well paid—indeed, excessively so. That is a matter that the tax system can deal with—if we have a Government who believe in progressive taxation—by making sure that better-off people pay more, and less well-off people do not pay as high a rate of tax.

There are some obvious examples demonstrating the hon. and learned Lady's point in the Bar survey, which I understand the Minister has read. One respondent to the survey said:

> "My wife is a speech therapist. I calculated our hourly rates and she works for approximately £20 per hour with maternity leave, holidays and pension all included. The joiner who is repairing my shower at home is charging me £23 per hour plus materials. I have last week represented a man on Drug Importation of 2.5 kg of heroin who was convicted after a three day trial and was sentenced to 12 years.[7]

He went on to say that after preparing the case and after chambers' expenses, he

> "will be paid £2000. i.e. £33 per hour or incl court £26 per hour for this extremely stressful case."

He then asked:

> "Why is the state prepared to pay a market rate of in excess of £400 per hour for silks in High Court cases involving government departments when it pays such a derisory rate for barristers representing individuals who face up to life imprisonment?"

As the Minister will know, representation in court is sometimes a life-or-death issue—or certainly an issue of years inside or life outside.

[Simon Hughes]

Another respondent to the survey said:

"To discourage early preparation and penalise the conscientious with such small set payments damages the public interest and the service to all stakeholders in the criminal process outcome. How can £55 be justified sometimes for a later-return trial prepared for 6 hours, with 3 hours at court, and 2 hours travel? Utterly unheard of in other professional arenas."

Another person said:

"Could not agree more. It's galling, arbitrary and unfair to prepare fully for trial, only to be stood out because USUALLY of the fault of the State (court or Crown) who then refuse to remunerate you!! Sentence is perhaps the most iniquitous area—sentence requires sometimes far more prep than a guilty plea . . . or later where the client accepts in his proof his guilt—£60!!!"

One respondent made a request, and I make it of the Minister, too. If we are to have a legal profession that is representative of all backgrounds in society, made up of women and men, and people of all classes and races—and we all argue for that—it must be a profession that has opportunity for all. The respondent said that there is

"a real ignorance of what goes on in court. Please let an MP or civil servant follow around a junior barrister for a week and then say that such a policy is justifiable".

I would be grateful if the Minister told us, in her wind-up speech, how many days she has spent on the road with junior members of the Bar. If she has not followed a junior barrister, will she say whether she and her colleagues in Government are willing to do so before making any decisions?

10.42 am

Mr. Dominic Grieve (Beaconsfield) (Con): I congratulate the hon. and learned Member for Redcar (Vera Baird) on securing the debate, and on the way in which she presented this difficult issue. She did so faultlessly; I found myself agreeing with virtually everything that she said.

It has been a particularly constructive debate because we have had input from not only barristers, but others, too. My hon. Friend the Member for Enfield, Southgate (Mr. Burrowes) gave a solicitor's perspective, for example.

It is generally acknowledged that the Government face a considerable problem over criminal legal aid. The amount is large and growing. It is in everyone's interests that it should be controlled, but the question arises of how that can best be done. There is no doubt that the Cape-Moorhead report by the two professors is a very revealing document. For a long time, the message coming from the Department for Constitutional Affairs was that increases in costs were driven by the costs of the professions acting in a representative capacity in court. We have heard that message over and over again in the past five years; yet here at last is a report that clearly shows that not to be the case.

Leaving aside for a moment the problem of the very high rise in costs for certain criminal cases, the evidence appears overwhelmingly to show that the driver of cost increase is the way in which the Government have conducted a number of initiatives—on reducing crime, streamlining the court service, and introducing procedural changes in criminal justice—without having any regard for the financial consequences that would flow from those initiatives. That is what the Cape-Moorhead report says. I shall be interested to hear the Minister's response to that.

Of course, there are areas where the professions, be it barrister or solicitor, may cost too much. I should have declared an interest: I am a practising barrister, although it is some time since I have done criminal legal aid work, notwithstanding the fact that I recently received a cheque from the Legal Aid Board for 5p for a case that is at least 10 years old.

The hon. and learned Lady discussed silks' pay. Particularly for long cases, criminal silks' pay is disproportionate to and much better than the pay of the junior Bar, where the real crisis is—I fully acknowledge that. I believe that she quoted a figure of £30,000 for a 20-day trial, but it is worth bearing in mind that, on the basis of 20 working days, the trial would have actually lasted a calendar month and would have required a great deal of preparation if the person were doing their job properly, and that the person was probably bringing at least 20 to 25 years' experience to bear on the case.

The problem is that barristers from all sorts of backgrounds tend to judge themselves and their success by reference to their peers, including those who do not do legal aid work. The hon. and learned Lady may agree with that. It has always been accepted that legal aid work is work that is done at a discount—there is a long tradition of that—but if the disparities become too enormous, the profession simply will not attract people who can do the 20-day cases that require silks.

I am standing up for a persecuted minority that attracts little public support, but it is worth bearing in mind the overall amount that they earn relative to other professions. The point was well made about the hourly amount that a barrister in the High Court would be paid by the Government for representing them in civil matters.

I am conscious of the brief time left, so I shall turn to the other aspect: long trials. We await the report on the Jubilee line case, but there is no doubt in my mind that too often public money is wasted and costs are incurred because of poor planning. The point about avoiding very long criminal cases was well made by Lord Woolf. It would be nice to know that the Crown Prosecution Service, admittedly not a service for which the Minister is directly responsible, has taken that on board. My personal experience is that costs are needlessly ratcheted up because the prosecution fails to manage the case properly. Ultimately, the legal aid fund picks up the tab for legal aid cases.

There is the question of cracked trials. There seems to be an extraordinary notion abroad in the Department for Constitutional Affairs that cracked trials are a conspiracy by the Bar to collect large amounts of money for turning up in court and claiming for preparation time for cases that collapse at the last minute. Cracked trials are a problem and, clearly, are undesirable. It would be much better if defendants would give an early guilty plea so that large amounts of costs could be saved, but, by their nature, defendants in criminal cases are not necessarily the most reliable clients. It is simply a fantasy to think that barristers who have sweated long hours preparing cases for trial go away rejoicing when the trial collapses on day one. They may have expected 25 days in court and may have planned holiday arrangements

and a host of other things around the trial. The Government must consider carefully how to provide incentives to prevent cracked trials and how to ensure that barristers are not needlessly penalised when preparation work has been done.

Jeremy Wright: Further to my hon. Friend's comments, what often happens is that however hard a barrister may work to resolve a case before it comes to trial and to obtain a guilty plea, if that is the appropriate resolution, he may not be successful because the defendant wants to see whether the witnesses turn up on the day of the trial. In such cases, the cracked trial is not in the barrister's control.

Mr. Grieve: I agree entirely. My hon. Friend also made compelling points about the extraordinary lottery that can lead to somebody being paid £46 or £1,500 for the same amount of work, depending on what happens on the day that he goes to court.

I am sorry that I shall have to discuss the junior Bar far more briefly than I should. There is no doubt that there is a crisis in the junior Bar, particularly at the bottom end of it in relation to the work that it does. I hope that the Government appreciate the magnitude of the problem that has been created. Quite simply, it is not possible for barristers to make ends meet doing criminal work.

The demoralisation into which the lower end of the junior Bar has been plunged is such that, while I am not supporting it, the decision to withdraw services was almost inevitable, particularly in the light of the fact that the Government introduced further cuts when the Carter report had not yet come out. I hope that it will be able to shed light and clarity on this difficult area, but the reality is that legal aid criminal work is now so poorly paid for the routine work that eventually the Bar will, I suspect, be driven out of it altogether.

If that happens, the Minister will have to answer whether the criminal defence service and paid public defenders will be able to take the work over. The evidence of the Government's pilot scheme is that that is not a cheaper option. My next point again brings me to the contribution of my hon. Friend the Member for Enfield, Southgate. It is apparent that competitive tendering for criminal legal aid for solicitors will prove to be similarly disastrous, by driving solicitors out of this type of work as well.

The Government face some enormous problems. That said, this has been a constructive debate. I hope that the Minister will acknowledge that and respond in that spirit. I am happy to listen to any sensible suggestions that are put forward and fully accept that the kitty is not bottomless.

The Government have consistently ignored the warning signs of the crisis in criminal legal aid. They have done some things that were barmy. I gave a perfect example to the hon. and learned Member for Redcar: the vacillations in relation to proceeds of crime and whether those who have huge stashes of money should draw on them for their legal representation or should be entitled to legal aid. The Government have landed themselves in this mess. Some constructive solutions from them would be welcome.

10.52 am

The Parliamentary Under-Secretary of State for Constitutional Affairs (Bridget Prentice): One hon. Member said that they hoped that I would be listening and that there are two sides to this story. I have listened carefully to everything that has been said. We have heard the side from the legal profession. I rise as the only Member present who is not a legal professional. I am neither a barrister nor a solicitor. It is therefore with some trepidation that I dare to defend the Government's position against so many learned legal professionals.

I congratulate my hon. and learned Friend the Member for Redcar (Vera Baird) on securing this debate, which is an important and a timely one. I listened with great care to her comments, because her views on legal issues generally should be listened to and reflected upon. The response from all sides has been, on the whole, put forward in a reasonable way. However, I fundamentally disagree with many of the points that have been raised, and I will try my best to answer them all.

Let me just set out the Government's position in terms of access to justice. We want it to be at the heart of our social justice agenda. That is why we brought forward measures to protect people's rights in the community through bringing more offenders to justice and clamping down on antisocial behaviour while also ensuring that we safeguard individuals' rights and their access to them through the publicly funded legal aid system. It was a Labour Government who brought in legal aid and advice in 1949 and it is a Labour Government now who want to ensure that legal aid and advice is available, reformed and appropriate for the 21st century. It is one of the ways in which the state reaches out to individuals. I see legal aid as a public service; in the same way as we brought in the national health service in the 1940s, so we brought in legal aid and advice. We have an important and proud tradition. Our criminal and civil legal aid systems are at the centre of how the welfare state works. Just as the NHS exists to guarantee everyone medical care free at the point of use when they need it and the public education system exists to guarantee free education for everyone between the ages of five and 16, so legal aid exists to guarantee everyone the right to a fair trial or to advice on how to pursue redress when they have been wronged.

Legal aid provides that access to justice. For people receiving one of the 116,000 acts of assistance in the higher criminal courts last year, legal aid was crucial in ensuring that they had a voice in that court and that they were able to defend themselves in the eyes of the law. Such people are often the most vulnerable in society and do not have the means to support themselves. For the people who made one of the more than 210,000 calls to the community legal service direct phone line and the people who visited the CLS website, which had 500,000 hits last year, legal aid has made a difference by informing them of their rights under the law.

That is why legal aid is so important to us and why we are taking forward a wide range of work to improve its provision and to ensure that we use our resources effectively. The challenges facing us and the work we must do to meet them are set out in July's "A Fairer Deal for Legal Aid".

[Bridget Prentice]

I will briefly answer some of the points that have been raised. I assure my hon. and learned Friend the Member for Redcar that I know the difference between the different sections of the junior Bar. We sometimes rather affectionately refer to the very junior Bar as the baby Bar, although we should not be as patronising as that. I understand what happens to those who are new to the profession. I agree with everyone who raised the issue: they are the people who we want to protect and to help. We want to enhance their working experience. That is why we have made some of the changes that we have made.

On the cracks and "guilty" issue, the payment in cracked trials in one to 10-day cases will be for all trial preparation, including the work that would have been done had the trial gone ahead. The only thing that is not paid for is the time that would have been spent at the trial. It is important to make that clear.

A number of people talked about case management. We are working hard to get it. I am just sorry that the Bar wanted to have extra money to take part in the pilots that we put forward. It was a pity that it was not prepared to participate.

A number of hon. Members also mentioned the costs of the extra laws that have come into force and the new offences. As a result of my discussions with the Legal Aid Practitioners Group, we now have, alongside the regulatory impact test, a legal aid impact test. Any Department that puts forward a new law that includes an offence where there is a possible need for legal aid for an individual will now have to have that assessment made before the legislation is introduced. I reassure hon. Members that that was done as a result of discussion with practitioners.

I cannot tell the hon. Member for North Southwark and Bermondsey (Simon Hughes) how many failed prosecutions there are. If we can get that figure, I will write to him and to others.

The hon. Member for Rugby and Kenilworth (Jeremy Wright) talked about the junior Bar not minding redistribution. I agree with him. We want that redistribution and that is part of what the Carter review will be about. Nothing will be done about compulsory price competitive tendering until Lord Carter has reported. We have put forward a timetable if Lord Carter, who will examine it, decides that it merits continuation. I assure the House that that is all part of the package within Lord Carter's remit. When he reports at the end of January, we will have the time to decide how to take the matter forward.

Palestine

11 am

Dr. Phyllis Starkey (Milton Keynes, South-West) (Lab): I thank Mr. Speaker for allocating me this debate on Palestine. I asked for it because I believe that the course of the Israel-Palestine conflict is yet again at a critical stage and that decisive action is required now by the international community if disaster is to be avoided. What I am about to say has been informed by a visit that I made to the region in September. I draw the attention of hon. Members to an entry on the Register of Members' Interests. My flight to the region and stay in Israel were funded by the Anglo-Israel Association and my accommodation and travel in Palestine were funded by various local non-governmental organisations that are linked to the United Kingdom charity, Interpal.

I was extremely fortunate that my visit was timed for the few days after the Israeli disengagement from Gaza, but before the rockets were fired from Gaza by Hamas and Islamic Jihad, the renewed assassinations by the Israeli Defence Force and the killings of settlers by Palestinian terrorists. I was there during a week when tension was lower than it had been before or after.

The visit was my first since 2001. The situation as I saw it gave me grounds for both optimism and pessimism. I would like to be a Pollyanna and regard the Gaza disengagement as a positive step towards the implementation of the road map and a stable and equitable settlement that would be good for Israelis and Palestinians. However, I fear that it would be much more realistic to be a Cassandra and to warn instead that the Gaza withdrawal is insufficient and that the continued Israeli annexation of Palestinian land on the west bank and Jerusalem is leading to a completely different outcome. It would result in an apartheid state entirely under Israel's control, with the majority of Palestinians corralled into Bantustans in Gaza and the west bank, separated from each other and with no real sovereignty, with the Palestinian Authority reduced to policing the Palestinian areas on behalf of the Israelis.

Mr. Stephen Crabb (Preseli Pembrokeshire) (Con): Will the hon. Lady give way?

Dr. Starkey: I shall not give way. I have little time. It is not usual in these debates to give way and I do not intend to do so.

That vision was set out clearly by the Israelis. In 1993, the then Prime Minister Rabin said:

"I prefer the Palestinians to cope with the problem of enforcing order in the Gaza Strip. The Palestinians will be better at it than we"—

the Israelis—

"because they will allow no appeals to the Supreme Court . . . They will rule by their own methods, freeing . . . the Israeli army soldiers from having to do what they will do".

It seems that Prime Minister Sharon is carrying forward the vision that was set out originally by Prime Minister Rabin.

I am warning against the apartheid state solution because not only is it unjust for the Palestinians, but it is ultimately unsustainable and therefore not in the long-term interests of the Israelis. I wish to make it clear that

I accept that Israel has the same right as every other state to protect the security of its citizens, even those who are illegally occupying land in the west bank. However, Israel's right, as with every other state, must be exercised within international law and not, as is too often the case, in complete disregard of the rights of others, notably the Palestinians.

During my stay in Israel, I found that many Israelis, even liberal Israelis, seemed unaware of either the reality in the occupied territories—the huge depth of poverty and the dangerous well of resentment that is building up there—or the international community's view of the situation.

In Israel, I was given the national parks authority map, which shows Israel including—without any internal borders whatsoever—all the Palestinian territory and the Golan heights, which are occupied Syrian territory. Most Israelis appear to think that those are Israel's accepted borders, but they are not accepted by anyone else. Israelis need to understand that.

I shall start by describing the situation as I saw it in Gaza. The Israeli authorities helpfully demonstrated on my arrival at the crossing point at Erez who really controls Gaza; they kept me waiting there from 8 am until past 4 pm, even though I had an invitation from President Abbas, before suddenly deciding to let me through.

When I arrived in Gaza, I found the atmosphere extremely mixed. On the one hand, there was a huge sense of elation and liberation because all the settlers and Israel Defence Force soldiers had gone. To give people here a feel for what that feels like for ordinary people there, I should say that I visited the rehabilitation hospital, which has a lovely, wheelchair-accessible garden. For the first time, patients and visitors were enjoying that garden completely free from the fear that they would be shot at by IDF snipers; on a previous occasion, two nurses at the hospital had been killed by the IDF.

There were huge rallies all over the place. As we were driving through Gaza, we happened upon an enormous rally organised by Hamas in one of the settlements. Thousands of women and children were pouring in, as tourists in their own territory, to see what the abandoned Israeli settlements were like.

A huge crowd was preparing a rally for the next day down at the Rafah border close to Egypt, in the wasteland that the Israelis, having demolished more than 2,000 homes, had created. After that, my hosts drove me back along the length of Gaza, up the Salah al-Din Road from Rafah to Erez. That was the first time in 16 years that my hosts, who were Gazans, had been able to drive up that road from one end to the other without risking being shot at by the IDF. So there was a huge feeling of liberation.

There is also an optimism in the degree of political consensus, notwithstanding the continued internal security problems and the continued conflict between the armed factions. Even Hamas is hinting that it may accept the two-state solution and recognise Israel, as did the Palestinian Authority in the Oslo agreement. There is a consensus between all factions, including Hamas and Islamic Jihad, on how the settlement land is to be used for the benefit of the whole population to provide for homes and employment. When I met members of the legislative council, they were absolutely insistent that all factions must be able to participate in the elections due in January so that they can build a pluralist and civil society. However, they also stressed that a true democracy needs economic stability.

That brings me to the other, pessimistic side of Gaza. There was widespread despair at the desperate situation of most people there and the lack of solutions. Seventy per cent. of the people are under the poverty line and there is huge unemployment. Living costs are extremely high and are effectively set by Israel. For example, the gas that people use for cooking costs 10 times more than in Egypt because it has an Israeli price, yet people in Gaza are on poverty wages, if they have any at all.

There was a feeling that the settlements had been left like dead bodies, as they were described, for the Palestinians to clean up. The occupation has left an army of the handicapped and disabled; education and health services are overstretched; and schools have 60 to 70 children in a class and often run two sessions. The refugee camps are unimaginably poor and discharge raw sewage directly into the sea. I do not know how the people in the refugee camps survive, as they seem to have no income at all, but are totally dependent on charity and the United Nations Relief and Works Agency.

The Israelis continue to control Gaza. They control the register of all births, and whom can be given Palestinian citizenship. That means that refugees who returned from Jordan after the Oslo agreement and husbands and wives applying under family reunion rules are left in limbo with no citizenship whatsoever.

The UN Office for the Co-ordination of Humanitarian Affairs and the World Bank both agree that although the Palestinian economy is soaking up huge levels of aid from the international community, that aid is simply mitigating the effects of the Israeli blockade. Not only is the international community effectively subsidising the costs of the occupation and relieving Israel, as the occupying power, of the need to provide for the Palestinians; the Israeli economy actually benefits from those donor funds because 45 per cent. of every dollar of aid for the Palestinians is spent in Israel. From 2000 to 2004, the aid doubled to almost $1 billion a year, but because of the curfews and closures actual personal incomes in Palestine fell by 40 per cent. The economy can recover only if external borders are opened, internal borders between Gaza and the west bank are relaxed and Palestinian labour is allowed into Israel. However, Israel continues to control completely all the borders of Gaza, including that with Egypt and the sea and the air borders, which are still not open more than a month after the disengagement.

Even the Quartet's middle east envoy, James Wolfensohn, who is hardly a dangerous liberal, was particularly scathing about Israel's delaying tactics and failure even to allow free movement at Rafah between Gaza and Egypt. He said that the occupation continues, despite the disengagement, because the Israelis are still controlling all the borders.

If I found a mix of optimism and pessimism in Gaza, among Palestinians in the west bank and Jerusalem I found unremitting pessimism. The Israeli Government continue to build the so-called security wall on Palestinian territory. It is twice the length of the green line border and has appropriated an additional 10 per

[Dr. Starkey]

cent. of the west bank and imprisoned nearly 50,000 Palestinians between the wall and the green line. These people have to have permits from the Israelis to live in their own homes.

On 18 October, *The Guardian* set out the scale of the Israeli land grab: 23 square miles of land has been appropriated on the west bank since July, which more than offsets the land evacuated in Gaza, with 14,000 additional settlers in the illegal settlements on the west bank, which is 65 per cent. more than the number that left Gaza. The Israeli Government are pursuing a deliberate policy of squeezing Palestinians out of Jerusalem. The city is being encircled by expanded illegal settlements and cut off from its natural hinterland in the west bank. I was really shocked by the depth of despair of the Jerusalemites I met. They are Palestinians who in the past have been the most liberal and open to engagement with Israel. I found them more depressed than the Palestinians whom I met in Gaza. They are depressed by the expansion of the settlements, which are killing Arab east Jerusalem economically and excluding many people with Jerusalem identity cards from their own city.

The wall has arbitrarily cut through neighbourhoods, including the Ar Ram neighbourhood, and removed people from Jerusalem. Without moving, they are no longer living in Jerusalem. The UN estimates that a quarter of the 230,000 Palestinians who currently have Jerusalem ID cards have been excluded from Jerusalem by the wall and risk having their ID cards confiscated. Many people are caught in the situation where if they do not live in Jerusalem their ID card is confiscated and if they do not have a Jerusalem ID card, even the land they own in Jerusalem is confiscated.

The Israelis continue to demolish houses. One person took me to his huge family house, which he had built with all his savings and which has now been shut up by Israeli order because a demolition order is going through the courts. He and his family of seven are squashed into a two-room flat because they cannot live in their own house. Fourteen of his neighbours' houses have already been demolished and the excuse is that planning permission has been refused because the planning framework has not been finalised, but the framework process was started by the Israelis in 1992. It is clear that they have no intention of ever drawing up a planning framework so that they can always say that buildings are being built without permission.

Palestinian institutions in Jerusalem are being threatened. The al-Quds medical school has had students marooned in Gaza for the past four years with patients unable to reach clinics and medical students unable to access the other main hospitals. I was told of rumours suggesting that the Israelis will introduce a new law to outlaw Jerusalem institutions from employing people with west bank permits. If that were carried through, it would mean that the al-Makassed hospital would lose 50 per cent. of its staff and the Industrial secondary school, which I visited, would lose 41 of its 54 employees, many of whom have worked there for decades. The Israelis are currently trying to bribe that institution out of Jerusalem. They have offered to pay for its relocation to the west bank.

There was an unmistakable feeling among all the people I met in Jerusalem that things were getting so bad—with no hope of improvement and no attention, they felt, from the international community—that violence was the only way out. That is a dangerous feeling to be growing within Jerusalem's Palestinian population.

On the west bank, the expansion of settlements and the continuation of checkpoints and road blocks are making people's lives a misery. They interfere with the free movement of Palestinians to school, university, hospitals and work. Even when the checkpoints are open, people do not feel confident that they will not be closed arbitrarily, leaving them trapped on the wrong side. People's movements are heavily controlled as a result. I could go on to describe all the other instances that I came across in the various towns of the west bank. I want to get over to people the dangerous atmosphere that is building up within the Palestinian population because they feel that there is no hope of improvement and that they are being left with only one outlet: violence.

That situation is hugely dangerous, both for the Palestinians and the Israelis. Ordinary Palestinians can see with their own eyes that the current Israeli Government are creating facts on the ground that will completely rule out a viable and contiguous Palestinian state. They can see that they are going to be offered only a series of disconnected Bantustans, totally under the control of Israel and totally dependent on it. They fear, in particular, that the whole of Jerusalem, including the al-Aqsa and the Dome of the Rock, will be lost to them.

Even in Gaza, the Israelis are failing to offer any semblance of real autonomy or sovereignty. People can see no chance of the poverty of people in Gaza being reduced. The current Israeli strategy is leaving ordinary Palestinians with no hope for any improvement for their future and is undercutting moderates in the Palestinian community who want to find a negotiated solution. People such as President Abbas have almost nothing to show to Palestinians as an example of what has been delivered through the negotiation route. Instead, negotiation seems to have delivered a worse and worse lifestyle for Palestinians. As I say, the temptation is for more and more Palestinians to conclude that violence is the only answer.

The British Government, the European Union and the rest of the Quartet are committed to a two-state solution based on the road map and the relevant UN resolutions. The Minister has recently reiterated in a series of written parliamentary answers the UK position on the illegality of all the settlements and our opposition to any further land grab by the Israelis. The international community and significant parts of Israeli society believe that disengagement from Gaza should be the first step towards that two-state solution, but if that is to have any chance of success, the international community needs to put effective pressure on the Israeli Government now to stop them taking action that makes the two-state solution impossible. It is not credible for the international community to continue to ignore the annexation of Palestinian land, and it is even less credible to suggest that the wall and the settlements will be dismantled at some point in the future.

Israel constantly claims to be the only democracy in the middle east, but if the current Israeli Government are permitted to continue to expropriate Palestinian land, encircle east Jerusalem and deprive Palestinians of their right to live in and have access to the holy city—which is the holy city not only of Jews, but of Muslims and Christians—they will destroy Israel's right to make that claim. An apartheid state where Palestinians are in enclaves that are nominally autonomous but actually under the control of Israel, and where Palestinians are excluded from participation in Israel's democracy, will not be a democracy in any recognisable sense. Furthermore, such a solution will not ensure Israel's security; it will be a recipe for continued violence.

For that reason, if the Government are to continue to be a friend to both Israel and Palestine, they must take action now to ensure that Israel complies with its obligations under the road map. Britain and the European Union must use every bit of leverage that they have, including financial leverage, to pressure the Israelis to stop expropriating Palestinian land; for example, they could suspend the EU-Israel trade association.

There must be a speedy agreement by the Israelis—in line with the obligations that they are asked to fulfil by Mr. Wolfensohn—to the opening of access to and from Gaza, and there must be freedom of movement across the west bank and into and out of Jerusalem. Palestinians must be readmitted to the road network in the west bank; it is currently reserved for Israel's illegal settlers. In addition, the UK and the EU need to undertake public diplomacy, and explain directly to the Israeli people the cul-de-sac down which the Israeli Government's policies are leading them.

11.21 am

The Minister for the Middle East (Dr. Kim Howells): I congratulate my hon. Friend the Member for Milton Keynes, South-West (Dr. Starkey) on bringing this important subject to this Chamber. The situation in Israel and the occupied territories—Gaza and the west bank—is of deep concern to Members of all parties, and not least to my hon. Friend, whose long-standing and energetic engagement on this issue I salute. She has given us a comprehensive report of her recent visit to the area. I have also been there. In fact, I was there until 11.30 last night, when I got on a plane in Cairo.

In the few minutes available to me, let me make it clear that the middle east peace process will remain a priority for the Government. As my hon. Friend rightly points out, the conflict is now at a critical stage. A just and lasting solution is crucial for the Palestinian people and for the Israeli people, as my hon. Friend has made clear, as well as for broader prospects of long-term peace for the whole middle east.

My hon. Friend raised a number of important issues. Because of the shortage of time, let me say to her and others in this Chamber that she is right to emphasise the need for urgent action to begin rebuilding the economy of Gaza. It distressed many of us to see how the greenhouses were looted at disengagement, although perhaps we can understand it. That was an act of incredible stupidity, because perhaps as many as 10,000 people were employed in those greenhouses. I was glad to hear over the past couple of weeks that the Saudis and Israelis, among others, have put money into replacing the components of the greenhouses that were looted and sold off, presumably on the streets of Gaza. That employment will start up again in time for the planting season, which is very important as we need all the jobs we can get.

As my hon. Friend will know, Abu Mazen and the Palestinian Authority have stated that they want to create 30,000 jobs in Gaza by Christmas. Some of that is wishful thinking—there is no question about that—but on where the finance for that scheme will come from, let me say this: I know one oil-producing Arab country that will have a budget surplus this year of no less than $140 billion. One per cent. of that would go an awfully long way to helping the Palestinian Authority and Jim Wolfensohn's team do what is necessary in Gaza and the west bank to start reviving that economy. And it can be revived; there is no question about that.

I was in Ramallah three weeks ago. I had not been there for 13 years, and I did not recognise it. It was full of flashy apartments. Where did the money come from? A prominent Palestinian told me, "Well, we've had a decade and a half of chronic, corrosive corruption." That is where the money has come from. Year after year, the donor countries gave money to the Palestine Liberation Organisation, and what happened to it? It was used to pay off Arafat's cronies, and a lot of it ended up in bank accounts in Zurich and in property. It is a disgrace.

One of the most heartening things I discovered as I travelled around the area recently is that there is no more talk of Arafat as some kind of unblemished hero. There is a recognition that that corruption and the form of government that was in place did no good for those Palestinians who want to create a viable future. I agree with my hon. Friend: we are at what the Americans call a tipping point, and a new and important consciousness is abroad in the west bank and Gaza.

My hon. Friend spoke eloquently of the need for dialogue to include the Israelis in a real way. When I visited the area a few weeks ago, I did not want to talk only to the Israeli Government and their advisers in Tel Aviv and Jerusalem. I also went to a kibbutz, because I wanted to talk to the old lefties—for want of a better term—who had started that movement. It is important to remember that the movement was created because it was seen as a way of enabling Israelis and Palestinians to live and work together. The kibbutz I visited was on the old Jerusalem road, and during a meal I had with some of the remarkable people there, they reluctantly but clearly stated, "Yes, we are terribly sorry in some ways that we have the barrier." It is a wall in some places and a fence in others, but it is very effective and has cut to a remarkable extent the number of suicide bombs going off, and it has improved the ability of the Israeli people to defend themselves to the west of the wall.

However, my hon. Friend is right to emphasise the effect of the building of that barrier in and around Jerusalem and in other areas. It is ironic that it is the Israeli High Court that has upheld the objections of some of the Palestinians who have had the courage to question and challenge the route of the barrier. They are brave people, and they have shown the way forward.

Something else is interesting. When I visited the area, I looked at that barrier for some time. It is an awesome thing. It lacks the architectural advantages of the

[Dr. Kim Howells]

Great Wall of China, but it is about as difficult to cross. I realised that it not only makes life difficult for Palestinians, who are the ones who suffer most from it, but divides a city in a way that inconveniences a lot of Israelis very considerably. It is changing the quality of life in that city. There are parts of Jerusalem where Palestinians and Israelis have clearly got along very well, and it grieves me that there will now be such a great division between those communities.

Even at this late stage, I hope that the Israelis will understand that we are serious when we say to them, "This is an illegal activity." They should not be cutting off parts of Palestine so that people cannot visit their relatives, travel easily between work and home or travel from the southern part of the occupied territories in the west bank to the northern.

We want Israel to have the right to exist and to defend its citizens; we do not want them to walk in fear of terrorists. I believe Abu Mazen wants that as well. He is the only show in town. That is the truth of the situation, and we must all realise that, whether we are Arab donor countries, western donor countries or anyone else who is involved in this process.

I congratulate my hon. Friend on bringing this matter to our attention, and I hope we all benefit from the debate.

11.30 am

Sitting suspended until half-past Two o'clock.

Child Support Agency

2.30 pm

Sandra Gidley (Romsey) (LD): I am pleased to have the opportunity to debate the Child Support Agency and its performance. I must admit that my initial motivation for asking for the debate was a deep and prolonged sense of frustration over my dealings with the CSA as a constituency MP. I am sure that I am not the only Member whose heart sinks when the three little letters "CSA" are spoken at a surgery. Almost invariably, I am faced with parents at the end of their tether, and frequently children are used to get back at an ex-spouse.

Clearly, the agency cannot be held responsible for the individual morality problem that exacerbates whatever else is happening, but it can be held responsible for the inconsistency and delays that are integral to dealing with the CSA. Although the debate is reasonably well attended for one in this Chamber, I am surprised that so few Members are here. Perhaps my experience is unique, but I have been led to believe that other Members share similar experiences to mine.

I shall use a few constituency cases to highlight some problems that I have encountered, but it is first worth picking up on the Work and Pensions Committee report on the CSA. It was written in January 2004 and things have not improved. The Committee described the CSA as

"a failing organisation which is currently in crisis."

Management was criticised, problems with accuracy and the IT system were highlighted, and the Committee concluded that much greater focus should be placed on compliance and enforcement.

When more than £1 billion of maintenance is written off in one year, it is clear that the problems are large scale. I wholeheartedly support the Committee's recommendation, because the most frustrating cases for a constituency MP are those where one parent is not receiving money from the other. In those circumstances, the second parents often find a way to buck the system—or they think they have—when it is just a matter of the problem not having been investigated.

The Government's response to the report was that compliance had reached 75 per cent. We can argue about those figures all we like—numerous tables have shown that compliance is probably less than 75 per cent.—but even if that percentage is correct, it is far from good enough because it means that the system is not working for a quarter of cases. As the CSA provides a service for approximately 1,430,00 cases, that means that each MP deals with about 2,250 cases, so hon. Members will understand why I am surprised that more of us are not present today. More than 500 of those cases will be non-compliant.

Parliamentary questions have revealed that my estimate of non-compliance could be conservative. Some estimates show that more than 400,000 people resist payment, while one alarming analysis showed that only 271 members of staff are designated to deal with the problem of non-compliance. That means that each member of staff has a case load of about 1,550 cases, so it is hardly surprising that so few cases are resolved. It is a small miracle that there are not many more CSA cases at our surgeries.

It came as no great surprise to anyone that at the recent Labour party conference the Secretary of State for Work and Pensions promised root and branch reform—it has been promised for years, but has not happened—and admitted that the current operation is a complete shambles.

Some problems have arisen because of a change from the old child support scheme to a new, simpler model. The old scheme was complex, and more than 100 pieces of information were required to make a full assessment. The Child Support Act 1999 established the new scheme, which is designed to work on a simple percentage of the non-resident parent's net income. The non-resident parent pays 15 per cent. for one child, 20 per cent. for two children and 25 per cent. for three or more children. Maintenance is reduced if the non-resident parent has a second family, is on a low income or shares overnight caring responsibilities for the child with the parent with care. The simpler scheme made provision for maintenance arrangements to be established within six weeks, and there was supposed to be greater focus on ensuring compliance.

Unfortunately, the scheme was delayed several times because of IT problems. It was initially planned for the end of 2001, but was finally introduced, for new cases only, from 3 March 2003. The idea was to bring existing cases forward once the system was working well, but there is some evidence that, to try to make the initial figures look good, a large number of supposedly simple and straightforward cases were stockpiled so that they could be processed quickly under the new scheme. Many of them are still waiting somewhere in the system. It would be useful if the Minister elaborated on what is being done to deal with that backlog.

Constituency cases highlight interesting problems. A woman with three children left her husband because of his violent behaviour. She worked hard to pay off the family debts while the father consistently refused to pay maintenance through the CSA. The two older sons are now grown up, and the younger son has decided to live with his father. Hon. Members can probably guess what is coming next. The ex-husband has claimed child maintenance from his ex-wife through the CSA. He is perfectly entitled to do that under existing regulations. However, although the ex-wife is owed £10,000 after approximately eight years of non-payment, £42 a week is deducted at source from her wages now that she is required to make CSA payments. She must pay the money.

The flaw in the system is that the two cases are treated entirely independently and cannot be linked in any way. I was hoping that the CSA would be sympathetic to my constituent's plight, as she has struggled for years to find the money to support her sons, but it said that its main concern was for the child's welfare. Understandably, my constituent took great exception to the implication that she was not considering her child's welfare, as she had taken on that responsibility for eight years.

I urge the Minister to ensure that a compliant parent is not treated with what I can only regard as a complete lack of sympathy by the CSA in cases where there is a huge outstanding debt. In future, there ought to be some way of linking such cases so that the debt can be taken into account. The reality is that the compliant parent would probably spend some of the money on the children anyway. It is almost as if they are being doubly penalised.

The case gets worse. The CSA was considering court action against the ex-husband as long ago as 2000, and it confirmed that it was still considering court action in 2002, but it appears not to have taken any action to recover the money, despite being given a great deal of information by my constituent as to where the ex-husband worked, how he earned his money and even how he was evading notice.

I also have a case of a woman on a low income who was paying a small amount of money in maintenance under the old rules. The father contacted her, ostensibly to say that it would be easier to forget the payment as the amount was so small. This woman understood her ex-husband rather well and realised that that sudden turn of generosity was somewhat out of character. So she was suspicious. She checked with the CSA and was told, "Don't worry about it, he won't be able to claim back. There is a time limit, so there is nothing to worry about." Unfortunately, she was not given the complete picture. As soon as the 13-week time limit expired, a new claim was submitted and my constituent became liable for greatly increased payments.

The new legislation may have an unintended consequence. As women are traditionally less well paid, when they pay maintenance, as happens in a small number of cases, they will often, under the new rules, become liable for a higher proportion of their low wage—a large amount of money—because of the percentages involved. In a couple of my cases, the women have become the victims of circumstances being changed in such a way by the man. It would be interesting if the Minister told us whether he is alert to that problem. Has any work been done to assess the impact on low-paid women who are liable for payments to the CSA?

The most commonly encountered problem is payment processing being subject to unacceptable delays. A case of mine involves a woman whose partner was, happily, making payments to the CSA. Unfortunately, the computer was unable to process the payments, although in this particular case I am not sure why. Last year, however, I had an interesting case in which the excuse for the inability of the computer to recognise the sort code was that it began with a zero. Perhaps I am being naive, but we are talking about an IT system for large amounts of money. It should not be that difficult to tweak things so that a sort code beginning with zero can be recognised.

Small problems such as that should be surmountable. They are obviously a source of deep frustration. The woman I mentioned was told that a manual payment would have to be set up and that that would take 13 weeks. That originally meant that she would have had to wait until Christmas for the money, but staff at my constituency office were very pleased when they were told that she would be paid by the end of October. I take no credit for that, as they arranged it. However, this very constituent was on the phone only this morning, after I had written this speech, to say she had received a letter informing her that there would be a further five-week delay in processing the money.

[Sandra Gidley]

I have to ask the Minister how long it takes to generate a letter or process a manual payment. It seems to me that a lot of time is wasted sending out letters to people saying that there is going to be a further delay. It would also be helpful if he said what measures are being taken to increase staff numbers, albeit temporarily, to try to clear the backlog of cases so that we can get on an even keel.

From my reading in preparation for this debate, I understand that for only two months of the past couple of years has the CSA processed a greater number of cases than came in. That imbalance cannot continue and it would help us all, as constituency MPs, if we knew what is to be done to resolve the problem. It may be due to yet another queue for the CSA, or an administrative nightmare, but we are talking about people's lives.

My constituent said, "To top the lot, I now have to go to court for non-payment of council tax because all my money is sitting at the CSA. I have to feed and clothe my children, and something had to give. I could not afford to do it all." Given the knock-on effects that delays cause, the issue must be resolved sooner rather than later.

In many cases, one-parent families are involved. The One Parent Families organisation has raised a number of concerns. In a briefing to me, it stated that the average clearing time for new cases is now 25 weeks and that 31 per cent. of cases take more than six months. During that time, families often do without money that they can ill afford not to have. It also claimed that 78,000 old-scheme cases were still awaiting reassessment from before 2003, and that a further stockpile of new cases had accumulated in the six months or so before the new scheme began. If the Minister clarified that it would be helpful.

A major part of the organisation's complaint involves the lack of focus on compliance enforcement in 2004–05. Overdue maintenance apparently more than doubled over the previous year, from £35.16 million to £88.9 million. That figure is rising, and it appears that little is being done to reverse the trend. However, during the same year only £8 million in arrears was collected by enforcement schemes. That gives the signal to those who do not want to pay that it is easy to buck the system and get away with it.

There were also problems with a lack of consistency. Even if people are lucky enough to have their telephone call answered—a recent press report suggested that more than 1 million calls to the CSA did not get through, so callers just gave up—staff are not accountable and often do not follow up on any actions promised. I have consistently noticed that in my role as a constituency MP.

David T.C. Davies (Monmouth) (Con): That is an important point. I cannot imagine that many people who have phoned the CSA have not had the experience of being unable to get through. I believe it is now giving out a special telephone number to MPs so that they can get access, but that does not help the great majority of the general public, who have as much constitutional right in this respect as we do. All I can do is echo everything the hon. Lady has just said.

Sandra Gidley: I think we have probably all met Fred Chase at some stage. He did a sterling job in trying to hold things together in respect of Members of Parliament.

One thing I have noticed about the CSA is that there is a reluctance to put anything in writing to a Member of Parliament. CSA staff would much rather talk and promise something, so that we do not have anything in writing to hold against them. That has changed a little recently, and I have been pressing for answers to my letters, but they rarely arrive within 28 days and frequently have to be chased up. The service to MPs is not good enough, and if an MP gets that kind of service, what chance does a member of the public have of getting good service?

If people manage to get hold of a member of staff, it is common for an action not to be followed up. In one press report, CSA staff came clean and said, "The pressure is so great that we sometimes just divert the call to the answer phone of a colleague who is on holiday, because we have then got it off our desk."

There seems to be an endemic problem that probably stems from management and leadership difficulties. Again, the culture of the CSA needs to be seriously addressed. When information is given to the CSA about the actions or financial status of non-resident parents, that is not acted on frequently enough and people simply give up.

Let me highlight how inefficient the UK system is. For every pound we spend on administration, £1.86 is collected. The equivalent agency in Australia collects more than £8 for every pound invested by the taxpayer. It is clear that a lot more can be done to make us perform better. Lots of solutions have been proposed, from scrapping the CSA completely to involving the Revenue in collection.

The computers, the management and so forth can be blamed—indeed, there is much to be blamed for—but it appears that no solutions are being offered. Sadly, many people are coming to the conclusion that the CSA is the biggest administrative disaster in the history of the welfare state.

2.50 pm

Mr. Peter Bone (Wellingborough) (Con): I congratulate the hon. Member for Romsey (Sandra Gidley) on securing the debate, which is of vast importance to all Members. I do not think that any party political points will be made today—the focus will be on genuine concerns. I believe that there would be more Members present if it were not for the fact that the debate on the Terrorism Bill clashes with this debate.

Before I was elected as a Member, I was not really aware of there being any problems with the CSA.—[*Laughter.*] As a new Member I can say that. This is one of those issues that does not affect the general public, but deeply affects the people involved. When a family is going through a break-up, the worst thing that can happen is added tension caused by the CSA.

I thought that the best thing that I could do today was to bring forward some cases that were brought to my weekly surgery last Friday. It is a somewhat random

approach, but I had three relevant cases. I hope that the Minister will take on board the issues that these cases raise and try to address them in some way.

I shall start with case A, and will use the words of the lady concerned, because she puts it far better than I could. She says:

"CSA tell me they are following rules that my ex-partner can reduce his payments because he has moved into a house with another lady who has 2 children. Her children are supported by her ex so why should my child go without, with her Dad being able to reduce payments?"

The payments that she receives have gone down from £218 per month to £167. Clearly, that issue needs to be addressed.

Case B highlights a different area. The lady concerned and her husband broke up on relatively good terms. They were obviously very concerned for the welfare of their children and set up a court order. Everything was working well; the lady was receiving the money and there was access to the child. Then the CSA overruled the court order, and as a result there are now huge arrears, which the lady appears to have no chance of recovering. On top of that, her income was reduced dramatically by the CSA becoming involved. Her complaint was that a whole year went by between when the court order was overruled by the CSA, and anything being done by the CSA. It was during that year that the arrears built up. She is very concerned about the efficiency of the CSA.

However, the most worrying example is case C. Hon. Members should bear in mind that these three people all came along last Friday—I did not select them. The hon. Member for Romsey mentioned that it was often the lady who does not receive the money to which she is entitled, and I know that that is a big issue. However, there are also issues on the other side.

The gentleman in case C split up with his wife and, between 1999 and 2003, he was making payments to the CSA, from an attachment to his earnings. There is no question about that—there is proof. He can show it from his wage slips, and the CSA has confirmed it. Lo and behold, one day, his mother, who is in her 70s, said, "I have got a bailiff at the door, demanding £8,979.61 for CSA arrears." Bear in mind that this gentleman had always made his payments to the CSA. He had had no notification through the courts; he had received no letters or anything else relating to the bailiff's visit. He does not live at the house where the bailiffs served the notice. He has moved in with another lady and they are intending to marry. They were nearly in tears: they may have to sell their house to repay some money that they do not owe. To get the bailiffs off their back, they had to make a payment of £5,000, and agree to a weekly payment of £100. That is outrageous, and is clearly due to the incompetence of the CSA. Although I picked that case at random, it is one of the worst cases that I have come across.

At every weekly surgery, I will encounter at least three CSA problems. For those people, the problem is desperate. I have had people crying in my surgeries because of the CSA's actions. I make no political points here and I am not sure of the solution.

The agency interferes in people's lives, seems to create a great deal of tension and does not provide the money correctly. I wonder whether it is one of those situations where the whole thing has gone too far and we might be better off scrapping it and going back to the previous system of letting the courts be involved. That would have been better for one of the constituents who came to see me. I am not saying that that is necessarily the right approach, but does the Minister think that we have reached that stage? I am sure that he will acknowledge that there are problems with the CSA. Does he think that root-and-branch reform is possible or has the CSA had its time?

2.56 pm

Mr. Mike Weir (Angus) (SNP): It is hard to overestimate the anguish that the Child Support Agency is causing throughout the country, both to parents with care and to absent parents. Worst of all, as has been hinted at, the very people whom it is failing most are the children whom it was supposed to help.

Every Member will have filing cabinets full of cases involving the CSA. We have heard from previous speakers details of some of their cases. Such cases are by far and away the largest component of my caseload, although complaints about tax credits are fast coming up on the outside.

It is important to note that the fault lies not with the staff of the agency, who are struggling under unbearable burdens and a caseload with which they simply cannot cope. I appreciate the comments made by the hon. Member for Monmouth (David T.C. Davies) about getting through to the agency, but when people from my office and I get through we have found the staff to be unfailingly helpful.

A sense of frustration comes through from the agency staff, however, about what they are having to put up with—for example, the fact that the computer system does not work. How often have Members sat at the end of a phone when someone has been trying to get information out of a computer, but has been unable to answer a question because they could not get the computer to work?

That is not helped by the fact that it appears that several different systems are running in tandem within the CSA: the old computer system; the new computer system; a manual payment system; and a hybrid mechanism between a computer and manual payment system. None of them seems to work efficiently.

A lady came to see me at a recent surgery in Brechin. She was being paid manually, but she had to phone every week to chase up the payment and to remind the agency to pay it into her bank account. That is not how the agency should operate and it is not acceptable.

The problems of the agency are legion and go back to its foundation by the previous Conservative Government. I have dealt with the agency from both sides, because I was a solicitor prior to being elected to the House. I used to deal with child support cases prior to the agency. I remember that when it was being set up a meeting was held in my area. We were told by the officials of the fledgling agency that the legal system was too slow, that solicitors took far too long in dealing with cases and that the agency would speed up the process. It was painfully clear, even at that time, that it was woefully understaffed and underfunded, and that it would not be able to do that which was claimed.

[Mr. Mike Weir]

The agency seemed to think that everyone who was being asked for money would cheerfully fill in the forms and pay out whatever was assessed. It seemed to have no appreciation of the lengths to which some absent parents would go to avoid payment. Those of us who had dealt with this matter under the old system knew full well what was going to happen when the agency was set up. Indeed, when I inquired as to what it would do with people who did not return the form, it transpired that in the whole of Angus only one lady was to be charged with helping people fill out forms, going out on visits and chasing up unreturned forms. It was completely unrealistic from the outset.

The agency has never got over those initial problems. A good idea in principle was undermined from the outset by the rushed way in which it was introduced. Last year, I asked a series of questions about the agency because I was becoming increasingly concerned about cases that were coming to my constituency surgeries. I recognise what the hon. Member for Wellingborough (Mr. Bone) said, because my experience is the same. It is frustrating at surgeries when parents are in tears because they are unable to make progress and are at the end of their tether and depressed by their situation.

When I asked a question about arrears, I was told that in my constituency alone, which is mainly rural and not huge, there were 600 cases of arrears outstanding for more than three months and 26,000 in the whole of Scotland. That is appalling and is not helped by the fact that compliance often just does not take place. I was struck by what the hon. Member for Romsey (Sandra Gidley) said about the matter and I find exactly the same: that lack of effective compliance may continue for years. The information is given to the agency but no action seems to be taken. The person who has care of the child has to turn private detective to get together the information to give to the agency, and then finds that nothing seems to be done with that information. That is unacceptable.

The stop-start attitude of the agency when it starts compliance action is even worse. It starts an action against someone who promises to pay some money and then stops the compliance action. If no money is paid, the matter starts all over again. That is completely unacceptable. There seems to be no system within the agency to monitor compliance and to ensure that it continues.

I have one case in which the problem has been compounded by various appeals and assessments continuing for 10 years. A recent letter from the agency said that it is now reassessing all the assessments going back to 1994. Why should it take so long to deal with such cases? The parent concerned is at the end of her tether, and who can blame her?

The Scottish Affairs Committee, of which I was a member, looked into the operation of the agency in Scotland during the previous Parliament. We were assured then that the collection of arrears was a priority. Frankly, that could have fooled me, because nothing has changed in the intervening period. I am still seeing constituents who are chasing up huge arrears. Worse still, a constituent who recently came to see me had been chasing up the agency for more than two years to obtain substantial arrears from her ex-husband. She suddenly received a letter from the agency saying that it was sorry but it had made a mistake and no arrears were due. That, again, is completely unacceptable.

The situation is not that much better for absent parents. Not all try to avoid payment; many tell me that they are happy to make payments for their children and recognise their responsibility. However, having two different systems operating within the agency causes great concern, anguish and unfairness. Two people in exactly the same situation, doing the same job and receiving the same pay, may be paying vastly different amounts because of the date on which their assessment was made. That is also unacceptable. I see a steady stream of constituents with that complaint as, I am sure, do other hon. Members, but there is nothing that we can do about it.

I have written to the Minister responsible on numerous occasions and received the formulaic reply that it would be irresponsible to transfer old cases to the new system until the computer system is robust. Of course it would be, but why is the computer system not robust after all this time? Why is it taking so long to get the computer system sorted out? Why can the Government not get to grips with the problem, sort it out and introduce fairness into the system?

Even with the system as it is, the Minister, in a parliamentary answer to me last year, said that one fifth of cases under the new system contained errors. That is unacceptable of a computer system that cost many millions of pounds. It is important to note that even when cases are transferred, there will be a period of convergence. Many of those cases on the old system will never get down to the levels due under the new system because of the ages of the children and the length of time that payments have been made into the old system. Members should be aware of that when talking to constituents.

It may surprise the Minister, but I do not blame the Government entirely for the problems of the agency. I accept that they inherited the mess. However, they have had eight years, and the mess is getting no better. In many cases, it is getting worse, and urgent action is needed.

When the Government announced the new system, if we can still call it that, it was widely welcomed as providing some sort of fairness and a new way forward for the agency. However, the years of delay and foul-ups have wasted that chance, and deep cynicism has set in among those who use the services.

It is easy to be critical, but what is to be done about the agency? I do not support its abolition, because if we did that we would have to put something in its place. We cannot leave a vacuum for child support, but the agency needs severe surgery.

As I said at the outset, I was a solicitor prior to being elected to the House, and I dealt with many child support cases through the courts. That system worked to some extent, but given the length of time since the courts have dealt with such matters, I doubt whether they could cope with a sudden influx of cases that were no longer being dealt with by the agency. We must be realistic and consider how we can reform the agency.

The agency's staff are under huge pressure, and they are unable to cope with the demands put upon them. The Government must urgently reconsider their plans

for cutting the number of civil servants in the Department for Work and Pensions and its agency. My experience is with the Falkirk centre, which deals with Scottish cases, but there is concern that staff are already under pressure because of understaffing, and if there are cuts to the agency, it will make matters only worse. I ask the Minister to reconsider the matter and to speak to his colleagues about the plans for the agency.

As a matter of urgency, all cases must be put on the new system to ensure fairness. I appreciate that that is not easy, but something must be done to cut the Gordian knot, otherwise the unfairness will continue for many years.

The hon. Member for Romsey talked about the new system and its simplicity, with maintenance being decided within six weeks. As a start, we must give the agency breathing space. A partial return to the old system by reintroducing ex parte applications for interim maintenance would take the immediate pressure off the agency and ensure that both parties were sure of their position, that there was an enforceable order in place quickly, and that some money changed hands pending a full investigation of the cases. It is not an ideal situation, but it is an interim arrangement.

I recognise what the hon. Members for Monmouth and for Romsey said about the reluctance of the agency to provide information in writing. I have instituted a system in my offices in which we note carefully everything that is said over the phone, but insist on a follow-up letter. All too often we have had the problem whereby we are told something over the phone, we tell the constituent and weeks later a letter comes saying something entirely different. That lack of consistency is unacceptable, and I urge all Members to insist on a written response. They should follow it up to ensure that the agency does what it says it will do.

3.9 pm

Annette Brooke (Mid-Dorset and North Poole) (LD): I, too, congratulate my hon. Friend the Member for Romsey (Sandra Gidley) on securing a debate on an issue that is of importance to every MP. I also have an enormous postbag on the subject and agree that the CSA is a shambolic institution. I have spoken at length on the subject and want to concentrate on one case: my constituent versus the CSA computer. I concur with all the other points that have been raised and have letters on those in my mailbag.

This particular case and some of the written communications to which it has given rise—I have some of them here—create the impression of a body that is completely out of touch with people and the state in which our constituents find themselves once they are in conflict with the CSA.

My constituent's relationship with the CSA dates back to 1997, but I will not start from then because it would involve a long catalogue of events. For the sake of brevity, I begin in March 2005, when my constituent, out of total frustration—I note how many times that word has been used in this short debate—with the system, asked for her case to be closed. She just could not cope with the stress arising from the catalogue of errors. Her frustration arose from the uncertainty of whether she would receive any payments, which affected her housing benefit and made her situation worse.

At that stage, she was owed £600, and I understand that enforcement action is being taken. Hon. Members should note the language used in a letter to my constituent which arrived in May. It states:

"I have investigated the issues raised within your correspondence and would like to take this opportunity to apologise for the poor level of customer service you have received from the Agency."

So far, so good. It concludes:

"While the new IT system is working well for most clients, there are some, more complex circumstances where we still have difficulties . . . I can confirm your case has been closed as requested with effect from 1 March 2005 but due to a technical fault the system is unable to fully progress your case to closure. All written notifications have been inhibited on your case although this is no guarantee you will not receive any notifications in the future owing to the technical fault. Your case has been referred to the Incident Team to resolve the fault."

I ask hon. Members to consider what it would be like to receive such a letter.

That is not the end of the story because, for really good reasons, my constituent decided to ask for her case to be reopened and initiated a new claim in June 2005. The CSA did not respond. She kept telephoning. She was told that her application had not been received and was not on the system. Eventually, she got a one-to-one meeting—that was quite good really—and she was promised money within a week.

The money did not come within a week. That took us to the end of August. I heard from my constituent on 30 August. Apparently, her ex-partner had paid £50 to the CSA in June, July and August 2005, but the CSA claimed that it was not possible to pass the money on to her given that her case with them was closed. That is quite a problem, involving a closed case and a newly opened case.

It is often said that the fault does not lie with the CSA, but with people not paying money to it. However, in this case, the CSA has the money. It is appalling that it is trapped in the system. The CSA has confirmed to me that it is owed to my constituent, but has said that there is a problem with the computer system. The case was passed to the live service support unit of the CSA and it has been given MP priority.

It is interesting to note that between the closure of the case and now, there have been no changes in the circumstances of my constituent's former partner. Therefore, all the necessary information was on the computer system. One would have thought that there was no need to use a manual system, but the enforcement action for the £600 meant that the newly opened case had to be dealt with manually. However, in my experience, there is no simple way of manually processing applications with the CSA, even though there is with most other organisations.

The MP priority system brought me a letter on 20 October—a high-speed response. It stated that there was a

"a problem of a technical nature"

that was preventing my constituent's case from being progressed. It continued:

"Our technical people are currently working on this and we are awaiting authorisation from them for the case to be progressed clerically. Once authorisation has been received the case will be prepared for submission to a specialist clerical team. The average time being taken for a case to be completed is 18 weeks."

[Annette Brooke]

So that is my priority case as an MP. It started in June and it is now the end of October, but my constituent has not gotten a penny and the CSA has her money.

What is the impact on our constituents? Mine has to work really long hours to make up the money due to her, and the stress affects her physical and mental well-being. I am angry that the Government are party to a system that shows no understanding of how people on relatively low incomes live. For a mother bringing up two children, and working for a relatively low rate of pay, £150 is a great deal of money. It is the difference between the children having the right shoes for school and them wearing trainers, which are not acceptable to the school.

People on relatively low incomes budget week to week. It is unacceptable that they receive letters saying that a clerical team will deal with their problem in three months' time. Like the hon. Member for Angus (Mr. Weir), I feel sorry for the front-line staff who have to work under this dreadful system. Someone must be responsible for the chaos. Is it the people who were involved in drawing up the specifications for the computer system? Or is the problem down to some of the more general principles behind the Child Support Agency? We need something that relates to people, because we are all here to help them, but the system actually makes life worse for people who are already in difficult circumstances.

My constituent concludes:

"God help my deprived children and others who rely on the CSA".

The CSA in its current form is past praying for, and I look forward to the Minister offering us some hope for the future.

3.17 pm

Mr. David Laws (Yeovil) (LD): It is a pleasure to take part in this debate. I congratulate my hon. Friend the Member for Romsey (Sandra Gidley) on choosing the subject. I felt a great deal of sympathy with her on her early comments, not least when she said that her heart sinks when she learns of more Child Support Agency cases. I think that the same is true for those people using the CSA and I suspect her feeling is shared by most Members of Parliament. I am grateful to my hon. Friend the Member for Mid-Dorset and North Poole (Annette Brooke) for giving a shortened version of the trials and tribulations of just one of her constituents. Her case is typical of the way in which such problems run on for a significant time.

My hon. Friend the Member for Romsey made a comment that resonated with me. She said that in her view it was a miracle that we did not hear of more of these cases in our constituency advice centres. That occurred to me recently when I tried to come to terms with the subject as part of my new responsibilities. I looked at the performance figures for the CSA; they show the extent of the problem. The issue affects hundreds of thousands of people at least—the figure may even run into the millions across the country. Yet over the past couple of years I have not been hearing about the same numbers of CSA cases that I did two or three years ago. Sadly, they have been replaced by problems with the tax credit system. That has taken over as the No. 1 issue that I come across locally in advice centres.

After looking at the data on the CSA's performance and comparing it with the number of people that I see on the subject, my conclusion is that we do not see more of those cases in our advice centres and constituency surgeries because quite a lot of people have given up on the CSA. They do not believe that it works or that it can work. They do not believe that Members of Parliament can make any difference to its working. Some of the constituency cases that hon. Members have mentioned, and, indeed, MPs' own experiences of trying to get quick decisions, demonstrate that if we cannot unclog the problems with the CSA, goodness knows what it is like for millions of people who try to deal with the system. It is a big problem. The fact that, across the country, some of the momentum on the issue has dissipated as people have become more despairing is no reason for the House not to give the issue the priority it deserves.

Having recently taken over this brief from my hon. Friend the Member for Northavon (Steve Webb), I am aware of how many responsibilities the Department for Work and Pensions will have to deal with over the next few months and years. For instance, there is the massive issue of pensions and pension protection, associated problems with the tax credit system, and incapacity benefit and housing benefit reform. It would be tempting to spend a lot of time on those apparently new policy challenges and shrug our shoulders about the long-running problems of the Child Support Agency.

I hope that all hon. Members here today, including the Minister, will say that it is not good enough to accept that the system does not work, and that they will find out what the problems are and try to put them right. I welcome the Minister, my old colleague from the Treasury Select Committee. He has an analytical mind, and I hope that he will deal well with the somewhat poisoned chalice of responsibility for the CSA. I hope that his questions to those now running the agency will be demanding. I also hope that he will take advantage of having a new ministerial team and not be afraid of asking tough questions on policy issues that relate to the CSA, so that Ministers can decide whether the problem is merely administrative or whether we are asking the agency staff to do a job that is too complex.

The agency deals with a complexity of individual circumstances. Several hon. Members have recounted cases that demonstrate the complexity of people's lives. When I consider some of the constituency cases that I have had to deal with, I am not surprised that the agency's problems are fantastically complex. They often involve a change in circumstances several times a year.

Set against that are the problems referred to by a number of hon. Members, including the hon. Member for Angus (Mr. Weir). A large number of people are determined not to comply with the CSA's findings, and they take every possible measure to evade their responsibilities. We are asking the agency to do a tremendously difficult job.

Notwithstanding the difficulty of implementing the policy, it has had some significant administrative problems. As the hon. Member for Angus said, we must remember the context in which the debate is taking place. The CSA has had problems since it was formed in

the early 1990s. They were identified soon after the Labour party came to power in 1997. Indeed, in the forward to the 1998 Green Paper, no less a person than the Prime Minister said:

"the Child Support Agency has lost the confidence of the public".

He argued that the existing child support scheme was a "mess" and that it needed urgent reform.

The White Paper stated the problems of the CSA in similarly clear terms:

"Parents are left baffled and angry with the system that seems bureaucratic and insensitive to the very real difficulties they face."

It continued:

"This White Paper . . . will allow the CSA to provide a far better and more sensitive service to all parents."

That was exactly the aspiration that Baroness Thatcher expressed to the right hon. Member for Birkenhead (Mr. Field) when they bumped into each other at a dinner. The right hon. Gentleman referred to the meeting in one of his pamphlets on the subject. Baroness Thatcher's aspiration was to replace the existing and failing system with a better one, yet even now none of those aspirations has been met.

As the hon. Member for Wycombe (Mr. Goodman) knows all too well, the Select Committee on Work and Pensions Committee published a report before the general election. It concluded:

"Whether measured by official targets or any other criteria, the CSA has failed".

More worryingly, it goes on to say:

"levels of complaint continue to increase, unrecoverable debts rise, the level of staff turnover is going up, the management information to monitor progress is not available and, it is clear that at present the two sectors of the public it is intended to serve treat it either with despair or contempt".

We heard those sentiments from hon. Members.

Therefore, in spite of all the attempts by the Government to reform the CSA during the past few years, and in spite of correct identification of some of the problems, there has been no progress. Most of the statistics that are available—there is an issue about the availability of statistics—indicate that the system is still in crisis. It is still getting worse or no better and is not improving.

The Select Committee came to a striking conclusion in paragraph 30 of its report, when it stated:

"consideration must be given to the option of winding up the Child Support Agency and plans made for an alternative set of policies that work, in order to provide financial support for children in future. We also recommend that our successor Committee considers alternative policies in the event of the CSA being wound up."

That is a significant conclusion for a cross-party Committee to reach. It shows the depth of concern about the agency and about whether it will ever work in its existing form, an issue with which the Government must deal.

To some extent, that significant and critical report gave the Government a period of grace to try to sort out the problems. A new chief executive is trying to grapple with them and a new ministerial team is considering them. Many of us have been distracted by the even greater problems, if it is possible to describe them as that, of the tax credits system and pension reform. We have been diverted from scrutinising the CSA in recent months, but it is again time to give it attention, to find out what the new chief executive has achieved and to hear the views of Ministers. I hope that the Minister will say what progress has been made and what the interim conclusions are about how the CSA should be developed.

I was interested in the comments of my hon. Friend the Member for Romsey about some of the CSA's administrative problems. She reminded us that it was initially set up to claw back money that was being spent on the benefits system to support families that were not receiving support from the non-resident parent. It was viewed by the Conservative Government who introduced it as a mechanism for securing the interests of taxpayers as much—if not more than—as a mechanism for securing the financial interests of children.

The figures that were cited by my hon. Friend indicate the extent to which the CSA is struggling to deliver on that most fundamental objective. This agency, even with all its problems, costs £326 million a year to run but was capable of collecting only £603 million in the latest year for which we have figures. One does not need much knowledge and understanding about the operation of the social security system to know that a cost-to-collection ratio of 1:1.85 is appalling. It compares badly, as I believe my hon. Friend said, with countries such as Australia, which has a far more plausible cost-to-collection ratio of 1:8.

From the sum collected, the CSA made payments of £472 million to parents with care and transferred £119 million to the Department as a benefit offset. Does the Minister have figures to show whether the CSA is saving any money for the Government, compared with what would have been the case had the previous arrangements continued? It seems that the administration costs are immensely high and the savings on the benefits bill are very low because of the ineffectiveness of the system.

My hon. Friend also referred to the associated issue of staffing. It is quite a criticism of the agency that its administration costs are massive for the amount that it collects, yet there are questions as to whether it has the necessary people to do the jobs that it is asked to do. It is clear that the staff are struggling. I concur with hon. Members who expressed their sympathy for them. The turnover of staff and sickness rates show the pressures that they operate under, the price of which is paid by people who rely on the system. What is the latest situation with regard to staffing at the CSA? To what extent can the Minister continue to protect those staff from the reduction of the work force in his Department and its associated agencies by 30,000 people in the next few years? The agency will struggle if the Government do not maintain the protection of those staff until the problem is sorted out.

My hon. Friend the Member for Mid-Dorset and North Poole spoke about the difficulties that she and some of her constituents are having with the administration of the CSA. There is real concern about the continued IT failures, on which I hope the Minister can update us, the fact that so many cases currently have to be clerically processed, and the growing backlog of cases. The Minister's most recent parliamentary answer to me on the matter and the latest information from the

[Mr. David Laws]

chief executive show that overall agency compliance rates in the latest quarter were lower than for any quarter in the previous five years.

My hon. Friend's concerns about administration are shared by other Members, who have not given up all hope of solving their constituents' cases. I was contacted recently by someone who is a caseworker for my hon. Friend the Member for Harrogate and Knaresborough (Mr. Willis) who told me that his office recently had a large number of CSA cases coming through. In a note, the caseworker said:

"Today I have learned that even with MP priority it is unlikely that a case which needs to be managed clerically can be actioned within 20 weeks. That is just to start the processing—payments are likely to take much longer . . . to come through. Apparently the official line is that waiting time is 6–8 weeks, but that, I am told, is simply not realistic. More and more cases are having to be managed clerically as the computer system seems to throw up increasing numbers of errors."

All the administrative problems that there were six months, or even six years, ago, are still there, instead of reducing as the new CSA system comes in. I hope that the Minister will pick up that point.

I shall be cautious in my general comments on the CSA as I have only just inherited this portfolio and set of responsibilities and do not have as much experience of it as other hon. Members, such as the hon. Member for Wycombe, who served on the Select Committee. There is huge tension in the CSA on issues of fairness and complexity. Many complaints about the CSA, certainly in many of the cases that I have seen in my advice centre over the years, involve people who feel that individual maintenance settlements are unfair to them and do not take their circumstances into account. My party's previous position was to say that we shared those concerns and that we wanted to return to the old magistrates court system, in which all circumstances could be taken into account and every special element of a family's circumstances could be considered, but our policy has rightly moved on from that. The complexity of the system and of the cases being dealt with is so great that any agency operating the system would be challenged. The right hon. Member for Birkenhead was right to suggest that we need a more straightforward, simple system and that we need to set maintenance contributions at a level at which we can expect people to contribute.

However, if there is to be fundamental reform of the CSA, the Government must consider, as the right hon. Gentleman also said, whether the agency sits in the right place. It is bizarre that tax credits are handled not by the Department that has expertise in paying money to people on low incomes—the Department for Work and Pensions—but by the Inland Revenue. It is also bizarre that the Department that has competence in collecting revenue and that has information about other individuals who are not compliant—who may be self-employed and who may in some cases try to evade their CSA responsibilities—is not the agency with responsibility for the CSA. One of the biggest issues for the Minister to tackle is not whether the administration is working, and how to resolve that, but whether the existing CSA system is workable or should be transferred to Her Majesty's Revenue and Customs. Perhaps that is the necessary solution.

3.35 pm

Mr. Paul Goodman (Wycombe) (Con): I must take my attention from the interesting and thoughtful speech that the hon. Member for Yeovil (Mr. Laws) has just made and congratulate the hon. Member for Romsey (Sandra Gidley) on securing the debate. She set the tone at the start when she said that she and her constituents feel—as, she feels sure, do CSA staff—a deep and prolonged sense of frustration. The hon. Member for Mid-Dorset and North Poole (Annette Brooke) also mentioned frustration. We all share that frustration and the debate has been a good one. Everyone who spoke, including my hon. Friend the Member for Wellingborough (Mr. Bone), set out the frustrations clearly.

We all get the sense from our constituents who see us in surgeries that they consider us powerless, at times, to make the system work satisfactorily for them. That view was also taken in the previous Parliament by a forceful and perceptive Back Bencher, who asked the then Minister about the matter and said on receiving the answer that it was

"broadly the same as the one that his Department has been giving since July 2003, when migration was supposed to start."

He pointed this out:

"It was supposed to be completed by April 2005".

He added:

"As more new cases come on stream and are assessed under the new formula, we are fast approaching a point at which we shall be running two CSAs in parallel. That is not sustainable. Whose fault is it, and when will it be put right?"—[*Official Report*, 8 November 2004; Vol. 426, c. 553.]

That was, of course, this Minister. He now has responsibility for the system of which he was rightly so critical in the previous Parliament. I do not think that we expect instant answers from him today, and we acknowledge that the problems are deep seated, but I hope he will explain the Department's route map for getting us out of here to a more satisfactory situation.

The hon. Member for Yeovil quoted the Select Committee report, and the former Secretary of State, who is now Secretary of State for Trade and Industry, raised in his response to it last year the so-called nuclear option of sacking EDS, the computer supplier. He said that that had not been ruled out. Last week, in response to a debate initiated by my hon. Friend the Member for Chesham and Amersham (Mrs. Gillan), the Minister confirmed that the new chief executive of the CSA would report his findings to the ministerial team. When does the Minister expect those findings to be on his desk and to be published for Parliament? What position has been reached as to the nuclear option of sacking EDS? Has it been ruled out? As he asked his predecessor so forcefully, when will the transfer from the old system to the new take place?

I have given the Minister prior notice of another matter that I want to raise—the Department's policy in relation to the CSA and paternity testing contracts, with specific reference to a firm called DNA Bioscience and the role of the Secretary of State. The Secretary of State has today written to my hon. Friend the Member for Epsom and Ewell (Chris Grayling), the shadow Leader of the House, about the matter. The Secretary of State

confirmed that his sons have a 3 per cent. shareholding in DNA Bioscience, a firm whose business involves DNA testing. He added:

"Just to be absolutely clear I purchased this shareholding for them".

It would seem to be a significant shareholding.

The Department has separately confirmed that DNA Bioscience has had discussions with the CSA and has not denied that those were about possible contracts. In the letter, the Secretary of State does not deny discussing, since his appointment, DNA Bioscience and possible CSA contracts with a gentleman called Tariq Siddiqi, a businessman whose family members own DNA Bioscience.

The ministerial code of conduct sets out clear guidelines on Ministers' private interests. Paragraph 5.11 says:

"Ministers must scrupulously avoid any danger of an actual or apparent"

—I shall stress "apparent" for the moment—

"conflict of interest between their Ministerial position and their private financial interests."

The code continues:

"In order to avoid such a danger, they should be guided by the general principle that they should either dispose of any financial interest giving rise to the actual or apparent conflict or take alternative steps to prevent it."

I have a few questions for the Minister about the contracts. If he cannot answer them all today because of time constraints, I would be grateful if he confirmed that either he or the Secretary of State will answer them in writing.

Secondly, precisely what appropriate action will the Secretary of State and the Department take—they refer to "appropriate action" in the letter—in the event of

"a change in the contractual relationship between DNA Bioscience and the Department or the Child Support Agency"?

Thirdly, the Secretary of State writes that he is satisfied that he has

"acted in accordance with the ministerial code."

Given that the Secretary of State purchased a significant stakeholding for his family members in a firm that appears to be bidding for contracts with the CSA, are the Department and the Government satisfied that no apparent or actual conflict of interest exists? If they are, do they seriously maintain that the purchase of that stakeholding is not a breach of the spirit of the code? It is at least arguable—I shall put it no more strongly than that—that it is.

Finally, paragraph 5.2 of the code says:

"In cases of serious difficulty or doubt the matter may be referred to the Prime Minister for a view."

Has either the Secretary of State or the Department referred the matter to the Prime Minister for a view? If so, what view has the Prime Minister taken? In the light of the fact that it is possible that DNA Bioscience has been applying for contracts with the CSA, and in the light of the fact that the Secretary of State has written to my hon. Friend the shadow Leader of the House, I felt compelled to raise those questions this afternoon. I shall now allow the Minister to respond.

3.43 pm

The Parliamentary Under-Secretary of State for Work and Pensions (Mr. James Plaskitt): Everyone who contributed to the debate had the same motivation to do so: as constituency MPs—I include myself in this—we have all wrestled with difficult constituency cases over the years. Constituents have become embroiled in the CSA, and the agency has let them down in one way or another. Hon. Members have spoken of distress, tears and anguish, and we have probably all seen those things in our surgeries. That is why many of us have long-held concerns about the state of the agency and want to see the problems addressed.

I felt that we were having a constructive discussion. Hon. Members have brought their genuine experiences to the table and, quite rightly, they want me to answer questions about the agency. They are concerned about the parents who are enmeshed in these matters. More essentially, they are concerned about the children.

We were having a debate of that type until we reached the previous contribution, which unfortunately indulged in raising other issues. That suggests that the hon. Member for Wycombe (Mr. Goodman) is perhaps not as interested in the agency as he is in other matters.

Turning to the meat of the debate, I begin by congratulating the hon. Member for Romsey (Sandra Gidley) on securing this opportunity and on giving several Members another opportunity to express their views on the issue and to put perfectly reasonable questions and challenges to the Government regarding what we will do to address the agency's problems. I shall not conceal for one moment the scale of the issues that we were wrestling with at the CSA; it is clear that I am not talking about a success story, and there is no point pretending that I am doing anything other.

However, it is important to keep a certain perspective on what is going on at the agency. In our surgeries, we all—me included—come across the cases that have gone wrong in one way or another. Almost by definition, we do not come across the cases that are working. Before rushing to judgment, therefore, we need to be a little careful to determine whether the thing has completely failed and whether we have the whole picture in front of us.

We must bear it in mind that since the agency was established, it has collected £4.5 billion of child maintenance payments and that 527,000 children are being supported by maintenance payments because of the CSA. We do not hear about the cases that get processed and set up in six weeks, although I assure hon. Members that there are some.

Nor are we paying attention to the quite sharp recent increase in action by the agency to chase non-compliant non-resident parents. Let me share with hon. Members the figures on the issuing of liability orders, which is the necessary preliminary step to taking action to recover debts and non-payments. In 2002–03, the agency issued 2,383 such orders; in 2003–04, it issued 3,885; and in just the first six months of the current financial year, it issued 4,539. The impression that is sometimes created is that the agency is falling down on the job and doing nothing to chase non-compliant non-resident parents, but that does not quite match the entirety of the picture.

[Mr. James Plaskitt]

We all know, however, that alongside those elements of the agency that work—I am pleading for perspective here—there are far too many elements that do not. I shall not pretend for one moment that the agency's performance is in any way acceptable; it has let far too many people down and the issues need to be addressed. The hon. Member for Wycombe is perfectly right to quote back at me things that I said in the House of Commons as a constituency MP. I said that these issues had to be tackled and I consider myself quite fortunate because I am now in a position, perhaps, to ensure that we do something about them. Indeed, we are doing something about them.

The new chief executive went in nearly six months ago, and he and his team are doing a root-and-branch analysis of the agency, with nothing being left unexamined. The hon. Member for Yeovil (Mr. Laws) wants to know whether my ministerial colleagues and I are asking all the tough questions to get to the bottom of the agency's problems. I am happy to reassure him that that is exactly what we are doing. The questions are very tough, and the task that the chief executive has been given is extremely challenging.

Mr. Laws: Will the Minister give way?

Mr. Plaskitt: I have limited time and I have yet to turn to many of the pertinent questions that hon. Members asked, so if the hon. Gentleman will forgive me, I shall not let him intervene at the moment. I should reassure him, however, that we are carrying out the deepest analysis that anyone has ever done of the agency and its issues. We are looking at every single aspect of how it works. All the tough questions are being asked, including whether the situation is recoverable. Of course, we had to ask that question before deciding what route to take.

In just one sense, this debate is slightly premature: as hon. Members know, although the exercise I have described is under way, it has not been concluded. However, that is not far off and we have undertaken to come back to Parliament before the end of the year to present our views on what can be done to assist the agency towards recovery and in overcoming its problems. That work is very much in hand and is coming to a conclusion. It will not be long before we are in a position to present our proposals to Members of Parliament. I am aware, as I think we all are, that we have about 650 experts on the CSA in the House of Commons, so I look forward to putting our proposals to hon. Members in due course.

To turn to the specific issues raised by the hon. Member for Romsey, I first want to say that she and other hon. Members should be congratulated on their assiduous efforts on behalf of their constituents. She is right: many of our constituents find themselves in acute difficulties in handling the agency. They come to their local MP in an effort to seek remedy and we take their cases on. I know how assiduous the hon. Lady is in dealing with those cases, because I see the correspondence and sign it off. Her constituents are well served by an MP who takes on cases with as much earnestness as she does.

I understand exactly when the hon. Lady talks of her constituents' deep frustration, the inconsistency and the delays. Those are common to the tough cases that we all deal with as constituency MPs. She is right to draw our attention to the Select Committee report, which is helpful. The Committee's analysis is welcome. I have studied all the recommendations and I think I can say without giving too much away that pretty well all the issues and proposals that came out of the report have been considered in one way or another within the analysis that the chief executive, his colleagues and we Ministers are now undertaking. No stone has been left unturned and no issue overlooked, including those raised, quite rightly, by the Select Committee.

I am pleased that the hon. Lady mentioned the agency staff, as did several other hon. Members. I am acutely aware that the staff are often as let down by the system problems as the clients. I can assure hon. Members that the staff share the frustration of many of the agency's clients. In the end, they are trying to make a system work. I have described them sometimes as being asked to work with one hand tied behind their back. They are dealing with an overcomplicated system and IT that lets them down. All those problems have to be solved, and progress will be as much welcomed by the staff who struggle with the system as by those of us and our constituents who are caught up in it.

Several hon. Members asked about staffing levels. We have undertaken that there will be no reduction in front-line staff working in the agency until we are absolutely sure that the system is robust and working. I can give that reassurance to all hon. Members who raised that point.

The hon. Member for Romsey talked of the delay in introducing the new formula and the hon. Member for Wycombe referred back to my comments made in the House during the last Parliament about the advent of two systems running in parallel, which is pretty much what we have. Hon. Members may know that I was involved with the then Minister in devising the new formula. Like hon. Members in this Chamber this afternoon, I had stood up in the House and railed against the inadequacies of the old system, so I got myself involved in devising the new formula.

I am just as frustrated as other hon. Members by the fact that although we worked hard to devise a simpler formula that is fairer and that will bring more justice to the system, as of today, there is no complete conversion of existing cases, despite deadlines that have been passed and overlooked many times. About 500,000 cases are on the new formula, but they are the new cases that came in after the 2003 launch.

One of the big challenges faced by the agency is completing the migration of the old cases to the new formula and then doing the conversion to it. That is the centre of the efforts that we, together with the chief executive, are making to figure out how we will do that and on what time scale. It is in our minds because it is a pressing need that we have to address. Due to the time constraints, I must move on to the other contributions. I know that the hon. Member for Romsey raised some issues that I have not covered, but I am happy to write to her about those that I have unfortunately been forced to omit.

The hon. Member for Wellingborough (Mr. Bone) raised an interesting case from his surgery last Friday about a bailiff intervention. I am slightly puzzled by it. The agency should not have got to bailiff intervention

unless a liability order was in place. That is a necessary precondition. Furthermore, I believe I am right in saying that there would have to have been non-compliance on the part of the non-resident parent for the bailiff action to be triggered. If I have said anything that he thinks is not correct in relation to that case, and if he wants to write to me, I will be happy to pursue the matter further.

The hon. Gentleman also suggested that the agency interferes in people's lives. That phrase is interesting. The agency does not seek to do that, and nor do the Government. The agency's involvement arises because of a failure after the break-up of a relationship to make provision for the children. People can do that by private arrangement, and many do. As the previous Government found when they decided to set up the agency, children were being let down, but they must be supported. That is what drives this whole process. The court system was not doing it, hence the birth of this agency. The agency has a history of problems—we know that—but we are trying to sort them out.

The hon. Gentleman asked finally whether we have reached the stage of scrapping the agency or sorting it out. We are trying to sort it out. That is the bottom-line answer. If hon. Members are considering the option of scrapping it, what should replace it? We cannot leave a vacuum in which children are unsupported and the maintenance is not flowing. That would simply not be acceptable.

I am grateful to the hon. Member for Angus (Mr. Weir) for his measured and constructive contribution. He, too, referred to the two systems running in tandem—that situation is not acceptable—and also mentioned staffing. I have tried to cover the other points in answers to earlier contributions, but I agree with him that parents will go to extraordinary lengths not to comply. That presents a host of challenges to the agency.

The hon. Member for Mid-Dorset and North Poole (Annette Brooke) referred to confusing letters. There is no justification for those: I, too, have seen some of them, and I have sat and reread them two or three times. We need to deal with that issue when we try to sort out the agency and how it deals with its customers. She concluded by asking who is to blame. We could play the blame game for quite a long time, but it is less constructive than trying to find long-term solutions. What will stabilise the agency? What will get it back on track? What will improve its performance? What will enable it to endure and to do the job it was set up to do in the first place? That is where our focus is now. Those are the analytical questions we are asking and we are close to getting answers. I hope that she, too, is looking forward to hearing our conclusions, which we hope to announce before the end of the year.

The hon. Member for Yeovil asked whether we are shrugging our shoulders over the CSA. No, certainly not. As I have suggested, we are working hard on trying to solve the problems. He wants to transfer the agency to the Revenue—his latest wheeze—but I am far from sure that it is right. Taking his points about complexity, he will see that the transfer of ownership of the agency would not of itself deal with the deep problems that arise when one is dealing with these complex cases. A simple transfer of where it lives within the Whitehall network would not address the core issues that have given rise to the agency's current problems.

I am grateful to all hon. Members for the specific points they have raised, and I will respond by letter to any issues that I have overlooked. We fully take on board the extent and the scale of the problems with the agency. We do not minimise them in any way, and now is not the time to gloss or paper over them. That is not what we are doing. The deepest analysis is taking place, and has been since the new chief executive went in. We are examining every issue and every option. We look forward to coming back to Parliament before long with proposals on how we can stabilise and rescue the agency, and bring it to a position in which it does the job it was set up to do.

Magazine Distribution Arrangements

4 pm

James Brokenshire (Hornchurch) (Con): I am grateful for this opportunity to discuss an important sector of the British economy.

The debate has been given the somewhat dry and sterile title of the Office of Fair Trading review of magazine distribution arrangements. That does not necessarily indicate the issues that I seek to address, as it suggests that it is about the maintenance of a vibrant, independent retail market, in which small and large stores can compete on an even footing. In fact, it is about the simple ability to pop round the corner to buy publications on a wide range of pastimes that matter to individuals, from angling to aviation, fashion to finance and pig breeding to news reading; the sheer breath of the range of titles that exists; and the simple pleasure of waking on a lazy Sunday morning and finding a copy of one's favourite newspaper waiting on the doormat and browsing through it with a hot cup of tea and a piece of toast. All of that could be under threat as a consequence of a desire to interfere in a well-established market on the mistaken premise of a drive to promote competition and modernisation, which already exist.

Earlier this year, the competition rules that regulated distribution arrangements for newspapers and magazines were changed. Until May, the Competition Act 1998 and the (Land and Vertical Agreements Exclusion) Order 2000 excluded wholesale agreements from the ambit of that Act. However, in order to give effect to a review of EU competition rules, the exclusion order was repealed, leaving great uncertainty as to whether the longstanding agreements that awarded wholesaling rights to a single company in a specific area were lawful. I know that the Minister, because of his background, the Minister is well aware of the industry and understands how it is constructed.

That prompted calls for the Office of Fair Trading either to recommend exemption of the agreements from the 1998 Act or to give guidance as to their status and likely validity. It took the latter course, and came up with the draft opinion that has prompted so much concern in the industry. In essence, it said that there was a fundamental difference between the newspaper distribution market and the magazine market. As a consequence, the OFT indicated that the newspaper agreements were likely to be compliant with competition law whereas the magazine agreements were not, unless the wholesalers' absolute territorial protection under the magazine agreements was removed. There was a debate about what is known as passive sales, and whether somebody could approach another wholesaler outside that territory.

The distinction between newspapers and magazines was made on the ground of apparent special features attaching to newspapers, stated as being their highly perishable nature, their very narrow production time frame and the presence of an industry code of practice governing the relationship between newspaper wholesalers and retailers, underpinned by statutory undertakings given by those wholesalers. That approach prompted stringent criticism at all levels of the industry. It was suggested that the OFT had failed properly to understand the supply arrangements, and that magazines and newspapers were two sides of the same market segment, each competing for the same advertising space, for the same editorial talent and for the same readership and circulation.

A more detailed analysis suggests that the three differentiating issues highlighted by the OFT do not appear to be as clear cut as might be suggested. Several magazines, particularly trade magazines and magazines that focus on current affairs, are very perishable and go out of date extremely quickly because the news that they contain is very current. *The Economist*, for example, describes itself as a newspaper but can be perceived on many levels as a magazine in which timing is critical.

Only last week, a newspaper retailer told me that if the first day's sales of a magazine are lost, that week's sales can be expected to be down by about 40 per cent.

The Parliamentary Under-Secretary of State for Trade and Industry (Mr. Gerry Sutcliffe): Rather like the leadership contest of the Conservative party, news of which is out of date very quickly.

James Brokenshire: I am pleased to say that that issue will be dealt with quite quickly, and we look forward to moving forward very positively with a new leader.

Some newspapers, particularly local or regional ones, are also weekly, so do the same issues apply to them? More fundamentally, I struggle to see where a newspaper ends and a magazine begins, particularly when increasingly most weekend newspapers can generate continuing sales only by creating a strong magazine feature. The T2 section of *The Times*, which I read today on the District line tube to Westminster, is almost a magazine that is set up as a newspaper. It is therefore difficult to understand the fundamental distinction that the OFT was seeking to draw. The fundamentals of building the circulation of a magazine or newspaper, on a sale-or-return basis, incur high intrinsic costs on both sides of the market, so again I do not see how the fundamental distinction was drawn.

The maintenance of the newspaper code, which the OFT gave as another reason for trying to differentiate between the two sides of the market, was a quirk of fate in many ways. In 1993, the Monopolies and Mergers Commission produced a report on the supply of national newspapers following a reference by the OFT. Following that report, the code was introduced to address certain practices which the MMC concluded were not in the public interest.

As the Minister knows, the code in effect obliges wholesalers to supply to all retailers within their geographical area who can commit to a minimum number of sales. It is somewhat perverse of the OFT to argue that it recommended 10 years ago that the MMC investigate the newspaper market, which resulted in the establishment of this code of practice, so that somehow justifies treating the market as different. It is particularly perverse, given that wholesalers largely adhere to the newspaper code when dealing with magazines and that the industry is willing to establish a formal code of practice to provide substantially the same protections on that side of the market.

Even if one accepts the OFT's argument that there is a distinction between newspaper and magazine distribution, the impact of changing the system, as the

OFT suggests, could be dramatic. A report by Professor Paul Dobson of Loughborough university business school suggested that wholesaling costs might increase significantly for the industry if the current exclusive territory system were replaced with more retail-led open competition. Larger retailers could use their clout to obtain more favourable terms and treatment at a time of greater overall cost because of a duplication of effort.

Those costs would need to be met somewhere, and the fear is that they would be loaded on to the smaller retailers, causing a significant number of them to exit the market. In particular, the professor suggested that as many as 9,000 to 12,000 smaller newsagents could be forced to close. To be fair to the OFT, it seems to recognise that when it says in paragraph 3.29 of its draft opinion on the overall concept of the market that

"it is likely that they"

—that is, magazines and newspapers—

"would naturally continue to be distributed together . . . at least to independent (non-multiple) retailers."

That suggests that the OFT understands that the big multiples will use their position and their buying strength to renegotiate with the wholesalers. When one considers that the wholesale market is in the region of £80 million, an amount that Tesco could probably make in a fortnight, it shows the disparity in the bargaining position. It is almost a David-and-Goliath situation that underpins the concern about the consequences of a change, which would also have hidden consequences. Fewer retailers would mean less circulation for publications. Given that the large retailers are focused on a smaller range of publications, much more so than the independent retailers, which stock a broader range—that is part of the differentiation of the market—it would deny certain publications access to a broad market. It is worth noting that the smaller independent newsagents are the ones that underpin the home delivery service—the paperboys and papergirls who serve homes throughout the country.

Circulation is a key aspect of the industry. The unintended consequences of a change envisaged by the OFT could be that newspaper sales will fall, hitting advertising revenue and possibly the viability of certain titles. That would be an ironic result, given that the OFT wants to protect the distribution mechanism on the newspaper side of the market.

It is therefore hardly surprising that an extremely diverse group of people have voiced their strong criticism of the OFT's view: they include the National Federation of Retail Newsagents, the Periodical Publishers Association, the Newspaper Publishers Association, *Which?*, the Consumers Association, the Federation of Small Businesses, the Rural Shops Alliance and even the Mayor of London.

It is not intuitively obvious that a competition regulator should feel comfortable in its judgment when it is seemingly opposed by virtually every interest group in the sector. Last week, even the Minister's colleague, the Secretary of State for Culture, Media and Sport, said that she is extremely worried by the OFT approach.

There is the question of how the matter has been dealt with by some of the case officers in the investigation. The OFT has never specified what it believes to be inadequate about the economic analysis provided by the industry other than to suggest in the press that it is scaremongering or excitable sloganeering. However, in such a complex and important case that raises the question why the OFT has not carried out its own independent analysis of the workings of the industry and the supply chain. Effectively, it has hypothesised that matters may simply not turn out as the industry expects. The arguments being advanced need more depth and robustness.

In that context, it is worth examining other countries. For all the talk of European competition requirements, the issue does not seem to be one of the regulations that has appeared on the radar screens of many European regulators. In Europe, no other competition regulator has come up with an approach that resembles that of the OFT. In Germany, publishers have concluded exclusive distribution agreements with wholesalers that have a territorial monopoly in their territory for the duration of the contract. There is an exclusive territory system in France at wholesale and retail levels. In Italy, the distribution of newspapers and magazines is undertaken by national publisher-controlled distributors and regional wholesalers operating in exclusive distribution territories. Unfortunately, the impression is given that that attitude is another case of over-interpretation and enforcement of European regulation, that it is gold-plating but with knobs on this time.

In some respects, the more worrying aspect is the experience in the United States in 1995, when there was a lot of deregulation. In the 10 years since then wholesalers in the market have gone down from about 180 to only four, which control 90 per cent. of the market. The risk is that that could happen here. The newspaper and magazine sector is a valuable part of the British economy, making about £12 billion. The sector is diverse: larger retailers focus their newsstands on monthly publications; smaller retailers provide a greater breadth of coverage and titles, and they build on that with a home delivery network.

It seems strange that the regulator seeks to intervene in a competitive market. Some four out of five new magazines entering the magazine market fail. It is extremely competitive, and a consensus seems to be building from the magazine side around establishing a code of practice. That would in some ways address the rightful concerns of small retailers who say that they do not benefit from the arrangements and that they need greater protection. That could be provided by a code of practice backed up by an independent ombudsman.

In order to provide clarity to an industry in desperate need of greater certainty, I have three closing questions for the Minister. First, does he share the increasing concern of the Secretary of State for Culture, Media and Sport at the approach of the OFT, and, if so, what representations will he make to ensure that the views of the industry are properly considered by the regulator?

Secondly, if the OFT's final opinion confirms the view in its preliminary advice, will the Minister consider intervening in the public interest to ensure that the £80 million magazine and newspaper industry is not damaged?

Thirdly, if the Minister is prepared to intervene, is he willing to give appropriate consideration to the establishment of a code of practice to offer protection to retailers in a similar way to the newspaper code?

[James Brokenshire]

I am conscious of the change in senior management of the OFT, and I hope that it will allow the OFT a period of reflection on and consideration of the work that has been undertaken to date, giving it some scope to listen to the industry and to the significant concerns that have been raised. I fear that if the approach that has been taken up to now is followed, the livelihoods of many small businesses will be damaged, and consumers will perversely end up with less choice rather than more.

4.17 pm

The Parliamentary Under-Secretary of State for Trade and Industry (Mr. Gerry Sutcliffe): I welcome you to the chair for this afternoon's proceedings, Mr. Marshall. I am mindful of the ruling that you gave me about wearing—or not wearing—a jacket, unlike my colleague before me.

I am delighted that we are having a debate on this important issue. Many hon. Members from both sides of the House have either asked me questions or written to me about it. As the hon. Member for Hornchurch (James Brokenshire) said, I have some knowledge of the industry from my previous incarnation as a full-time trade union officer in the printing industry, at that time in the Society of Graphical and Allied Trades, which became the Graphical, Paper and Media Union, and is now part of Amicus.

I am well aware of the issues that the hon. Gentleman raises, and I congratulate him on securing the debate. I am sure that more parliamentary colleagues would have been present were it not for the major debate taking place on the Floor of the House. I am delighted to see the hon. Member for Wealden (Charles Hendry) present as we rekindle our work together and progress through the many issues before us.

This issue concerns the implications of the OFT's preliminary opinion for the magazine market, as the hon. Member for Hornchurch said. It is important to remember that the OFT has not yet issued a final opinion on the matter and is not likely to do so for some weeks. Accordingly, this debate and any comments on the issues raised will relate only to the draft opinion of the OFT published for consultation in May.

It is also important to note that the OFT's preliminary opinion is just that—an opinion. It was issued in response to a request from a group of publishers and wholesalers. The OFT is not changing the law, but advising on what it believes the law means for agreements between publishers and wholesalers; nor, if confirmed, would the preliminary opinion mean that magazines could no longer be distributed with newspapers. Such arrangements could continue, and probably would do so if relevant industry parties considered that that was the most efficient method of delivering magazines.

James Brokenshire: I hear what the Minister says about this just being opinion, but I hope that he appreciates that if an industry receives such guidance, it will have an impact. People will think that it is a clear determination and will act accordingly, as a consequence of the advice or guidance given by the OFT.

Mr. Sutcliffe: I recognise what the hon. Gentleman says, and he will know why I am trying to outline the position that the Government are taking on competition law. I will help him with that as we continue. He knows that attempts have been made to have discussions outside the formalised structures that we operate, in order to bring together the industry and the various bodies—protagonists is too strong a word—so that they can try to find a way through.

It is worth recapping why the OFT has been considering the matter. The legislation to modernise UK competition law to make it in line with modernised European Union law was passed on 1 May 2004. As part of that package of legislation, the Government repealed the domestic exclusion for vertical agreements—the Competition Act 1998 (Land and Vertical Agreements Exclusion) Order 2000. However, the repeal did not come into effect until a year later, on 1 May 2005. That delay was provided to give the industry time to adjust, and to take advice, if necessary, on the implications—and, I would say, to give it an opportunity to try to reach a solution. Industry parties did seek advice on the matter from the OFT, and in May the OFT published its preliminary opinion for consideration.

It is also worth recalling why the Government decided, following consultation, to repeal the UK exclusion from competition law for vertical agreements. In summary, we did so because after modernisation we considered there would be limited purpose in retaining a separate domestic exclusion. Modernisation meant UK competition authorities and courts must apply EC law as well as UK law in any case that affects trade between member states.

The UK domestic inclusion for vertical agreements was introduced in 2000 to provide block cover to all vertical agreements provided they met the necessary criteria. At that time, no equivalent exclusion for vertical agreements was provided under EU law. Such an equivalent under EU law was subsequently introduced, so that there is now a block exemption for vertical agreements which applies to all EU member states. Any different features a separate domestic exclusion might have could only have an effect on agreements that had no effect on interstate trade. Relying on the protection for vertical agreements provided by the EC block exemption ensures clarity and consistency in the way that the same types of vertical agreements are treated—irrespective of whether they affect interstate trade—and there is no need for argument about which legal base should apply in a given case.

On what the OFT's preliminary opinion might mean if confirmed, the present arrangements for the distribution of newspapers and magazines mean that wholesalers are contractually barred from selling newspapers and magazines to retailers located outside their appointed exclusive territory. The hon. Gentleman is right: that came about as a result of a long, historical evolution to do with the changing nature of how newspapers and magazines were produced. Retailers have no choice over which wholesaler they deal with. That significantly restricts competition, and many

retailers expressed strong views that it placed them at a commercial disadvantage. Agreements that restrict competition may nevertheless be acceptable under the law, if they meet the exemption criteria set out in the Competition Act 1998. The exemption criteria include the need for wider benefits to arise from the relevant agreement and for the restriction of competition involved to be indispensable to achieving those benefits.

The OFT has concluded that agreements granting such exclusive distribution territories for newspapers are likely to meet the exemption criteria in the 1998 Act and, therefore, to be compatible with the law. In the case of magazines, as the hon. Gentleman said, the OFT preliminary opinion is that exclusive territories are not indispensable, and therefore such distribution agreements are not likely to be compatible with competition law, and accordingly retailers could not be precluded from looking elsewhere to obtain supplies of magazines. That is the heart of the problem and where we continue to hope that agreement can be reached.

The OFT has sought to explain to interested parties why it considers agreements for newspapers are likely to meet the exemption criteria while agreements for magazines are not. Further representations have been made about that and the OFT will be considering them carefully before reaching its final position. The hon. Gentleman made a good point about the change in leadership of the OFT. The work undertaken by Sir John Vickers, its outgoing chairman, has been exemplary. It has been a credit to him and his organisation.

There is now a change in the structure of the OFT in that there is a chairman and a chief executive—Mr. Philip Collins and Mr. John Fingleton respectively. I know from preliminary discussions that they are keenly aware of the range of issues that excite Members of Parliament, not least myself. I believe that their final declaration will reflect the worries that have been raised.

The hon. Gentleman referred to the letter from my right hon. Friend the Secretary of State for Culture, Media and Sport. I see no problem with Members of Parliament, in whatever capacity, voicing concerns about genuine issues that affect our communities. He spoke briefly about the role of major retailers as opposed to that of small retailers and the impact that that has on our communities, something that is creating much discussion. That is a legitimate discussion that can take place in a non-party political way, as has happened in the past with matters such as the Consumer Credit Bill—indeed, the hon. Gentleman was a member of the Standing Committee that considered it. Mr. Fingleton and Mr. Collins are aware of the major weighty issues to be considered in addition to the matter of distribution and designation. Clearly, representations can still be made about them.

This is about the application of competition law and, as such, it is for the OFT and the companies concerned, which need to make arrangements for the distribution of their products. They are responsible for ensuring that those arrangements comply with competition law. The OFT is an independent competition regulator and has sought to help in that regard by providing an opinion on the compatibility of the law of agreements granting exclusive distribution territories.

The Government's long-established policy is to remove themselves from making substantive decisions about competition issues and to leave them to the independent competition authorities. I think that Conservative Members supported the Enterprise Act 2002 and the Competition Act 1998. They had some reservations about them, but I think that they agreed with the broad principle of taking decision making away from Ministers so that they were not involved in matters about which they might not have the appropriate expertise or knowledge. However, I have some knowledge about the issue under discussion, as I said earlier.

We want to develop a well founded principle. The United Kingdom has one of the best competition regimes in the world and the development of the OFT will be dealt with by the incoming team. It is right and proper that we use the Competition Commission as the route through that and do not have Ministers becoming involved in matters about which they do not have the full information, although I am not saying that they should not have a view or an opportunity to express the concern of their colleagues.

There is not enough time to go into detail about each of the three points made by the hon. Gentleman, so I shall write to him. There is a clear procedural route for the OFT in respect of competition rules.

James Brokenshire: The Minister says that he does not have time to deal with my three points, but he has dealt with one of them. The other two relate to a willingness to intervene in some way. He said that he might be prepared to write to me, but can he go further than that to give reassurance to the industry?

Mr. Sutcliffe: The industry is well aware of my concerns and those of all hon. Members. I shall encourage discussion to continue. The formal route must be through the OFT, but I assure the hon. Gentleman that I shall do everything in my power to make sure that a decision is made sooner rather than later and that maximum discussion will take place among people on both sides of the argument. Given what I said earlier, he will understand why I need to stay within the parameters of the 2002 and 1998 Acts.

It would be folly for me to go much further in the time that remains. I am grateful to the hon. Gentleman for raising such matters and I am sure that he will have helped the discussion to go further.

Local Enterprise Growth Initiative

4.30 pm

Joan Walley (Stoke-on-Trent, North) (Lab): It is always a genuine pleasure to serve under your chairmanship, Mr. Marshall.

I start by saying how pleased I am to have the opportunity to raise the case for Stoke-on-Trent to be granted funding under the local enterprise growth initiative, which is commonly known as LEGI. I am pleased that the Minister is here today because if ever an area needed a leg up and a helping hand, ours does. I intend to flag up the importance of Stoke-on-Trent's proposed bid, which will be made by the local strategic partnership and the city council by 9 December.

I appreciate only too well that the funding is competitive and that the Minister will not be able to tell me at the end of the debate that our bid will succeed. However, I know equally well that if it is to be successful, it needs the support of the Government office for the west midlands and of the regional development agency, which is Advantage West Midlands.

I make no apology whatever for my twofold purpose in raising this matter. First, I want to prepare the ground for the hurdles that we must overcome regionally and, secondly, assuming that we are successful, I want to ensure that the Government understand fully the scale of the problem facing us in Stoke-on-Trent and the need for a joined-up government approach—that is sometimes elusive—from the Treasury, the Department for Work and Pensions, the Department of Trade and Industry and the Office of the Deputy Prime Minister. I hope that that provides a good background for the decision and that we are successful.

I was pleased to hear in the 2005 Budget introduced by my right hon. Friend the Chancellor that there would be an extra £50 million of this funding for 2006–07, which I understand is set to rise to £150 million for 2008–09, for the country as a whole. On hearing that, I immediately contacted the relevant bodies in Stoke-on-Trent to ensure that they would be well prepared to make a bid. I have read through the literature, and it is clear that in the first phase funds will stretch to perhaps only one successful bid per region.

The Parliamentary Under-Secretary of State, Office of the Deputy Prime Minister (Jim Fitzpatrick) *indicated assent.*

Joan Walley: I see the Minister nodding. If the money is to be targeted on encouraging enterprise in the most deprived areas, as it will be because of its links with neighbourhood renewal, the case for Stoke-on-Trent is overwhelming. I want to set out the case for that.

First, we have excellent partnership arrangements and widespread support for the bid from delivery partners. I have already received a letter—I am happy to leave it for the Minister to peruse later—from the elected mayor of Stoke-on-Trent, setting out our delivery team and the importance of the bid. It is clear from the extent of the work that has been done so far and how the proposal has been drawn up that, subject to Stoke-on-Trent being successful, the money will be immediately put to good use on capital and revenue projects.

That will build on our success in managing enterprise units, business incubation units and enterprise events in schools—I am patron of the primary enterprise club in Stoke-on-Trent—and on our work with business mentors and with promoting inward investment and skills and training initiatives. A £5 million construction skills college has recently been built in my constituency and we need to build a culture of enterprise throughout that work. I make no bones about that. We have the experience and the determination to make the bid work if we are successful.

Business Link, Business Initiative and Business Brokers are backing this bid, as is the local education authority, which is contributing to it, as are the local universities, the north Staffordshire regeneration zone, the chamber of commerce and the Learning and Skills Council. We have partnership working.

It is important to bring to the Minister's attention his Department's housing market renewal programme that operates across north Staffordshire. I am sure he knows that Middleport in my constituency is one of two areas of major intervention that are to get under way quickly. The plans there are closely linked with the co-ordinated regeneration that is under way in Burslem through the work of the Burslem regeneration company, which I am very involved with.

Straight away, if the bid were approved, we would have the opportunity to connect with the housing renewal work that is proceeding. I am mindful of a seminar that I chaired in the House of Commons recently due to my work as a member of the all-party group on regeneration. We examined housing market renewal and concluded that it must link up with economic renewal if it is to succeed.

By ensuring that we connected the proposed LEGI bid with other work being done by the ODPM, we would avoid any proliferation of schemes or initiatives. We would not be reinventing efforts that were already under way. We could ensure that there was a perfect fit with the work the Department has already undertaken across north Staffordshire.

Mr. Iain Wright (Hartlepool) (Lab): My hon. Friend is gracious in giving way because she has only a short time in which to speak. May I declare an interest? Hartlepool is also bidding for part of the LEGI money, so I suppose that she and I are in competition. Does she agree that one of the true barriers to lifting deprived areas into prosperity relates to easy access to capital markets and finance? I know that in Hartlepool and the wider region of the north-east, the banking structure and access to capital markets are not as strong as they should be. The City of London is symbolically and physically a long way from Hartlepool and Stoke-on-Trent. Does she agree that that is a key part of what LEGI could achieve?

Joan Walley: Indeed I do. I hope that my hon. Friend and I will both be on the winning side when the Government announce which bids are successful. I cannot graciously offer the same hope in terms of a forthcoming football match: his team plays Port Vale on Saturday.

I agree with my hon. Friend about access to finance and capital, and about financial awareness, particularly in areas where there is massive structural economic

change. The way that bankers and investors see areas is not always linked to the industrial heritage and the value of the land. Correspondingly, that has an effect in terms of access to banking finance. We have to be innovative if we are to ensure that we get the investment in enterprise that will be salvation for areas that have been so devastated by the decline in traditional manufacturing. I want to discuss some of them later.

On the point that I was making about housing market renewal, if we fit this programme with that, we can focus on consolidation and growth, which complement existing efforts as part of a broader coherent strategy that picks up all the investment that is under way in my area—I am sure that that is also the case in Hartlepool—in health, schools and the housing pathfinder. Also, as would be the case with our proposal, that will be consistent with the sub-regional plans that are under way in respect of economic planning, housing and health.

We would be certain to ensure that local people and local firms benefit from the initiative. I have seen too many so-called enterprise initiatives where there was new investment but it meant only that people from 300 or 400 miles away benefited from jobs. There was not the spin-off for local people whose jobs had been lost as a result of structural changes. It is important that we fit this to housing market renewal.

It is difficult to touch on the scale of the challenge in Stoke-on-Trent, because this is still a painful subject. The scale of the challenge is one of the overwhelming reasons why we must ensure that Stoke-on-Trent's bid is successful. Even if they make uncomfortable reading, I want to give some background figures to the Minister, so that he can see the challenge. He might not know the scale of the job losses across north Staffordshire, and the resolve that we have to tackle that. Sometimes, Government policy has not been helpful. The Department for Work and Pensions intends to close down a jobcentre in one of the areas of greatest deprivation, without any proper consultation, which is a matter of great concern. There have also been redundancy announcements from large firms. In the past 20 years, 60,000 jobs have been lost in mining, steel and ceramics.

That should give the Minister an indication of what we are up against. I make that point because in Stoke-on-Trent not only have we lost more manufacturing jobs than most other industrial areas, but we have lost them more recently. To date, we have had less capacity to create new jobs to replace the traditional jobs that have been outsourced to the far east than areas with more basic skills and professional expertise in producing proposals that would turn the local economy round.

We cannot ignore the global restructuring that is taking place, and we must make good the loss of manufacturing jobs. However, in Stoke-on-Trent that task is challenging. Some 22.9 per cent. of the work force are still employed in manufacturing jobs. In my constituency, the figure is 35.4 per cent. I am sure that the Minister will not need reminding that the national average is 12.6 per cent. The consultants, Arup, estimated that, nationally, 20,000 manufacturing jobs are still at risk. It stands to reason that areas where there is already a heavy reliance on manufacturing jobs will be more vulnerable to globalisation than most other areas.

As unpalatable as that is, we must look ahead and plan now. Make no mistake about it, we are doing just that with the investment that is already coming in across the sub-region with the Government's help. However, our fundamental approach must be to make that investment relevant to local people, and we must change the enterprise culture. If we look at our record to date on that, it is simply not good enough, but that is through no fault of our own.

Nationally, 9 per cent. of people are self-employed; in Stoke-on-Trent, the figure is 6.7 per cent. I think that speaks volumes. We will not catch up unless we make even more headway in improving basic skills in the city. Maths and English are essential for small businesses, and I can report that we have made great progress in that area already. This year, in Stoke-on-Trent schools, 47 per cent. of pupils achieved grades A to C at GCSE, compared with 31 per cent. in 1997. Credit must go to Nigel Rigby and to the teaching staff for those outstanding results, which show that we can do great things when we are determined to improve educational standards. We want to repeat across the spectrum what we have achieved with GCSE results. That success must be matched by corresponding success in those basic skills across the age range, so that my constituents are equipped with the skills they need to set up in business.

The most up-to-date figures from Barclays for business start-ups, for quarter 4 in 2004, show that Stoke-on-Trent had eight business start-ups per 10,000 of the working population. Those were the second lowest figures, after Middlesbrough. The UK average was 14. In quarter 3, Stoke-on-Trent's record was seven business start-ups, and we were placed equal lowest. From those figures, we can see that with a working population of 147,400 people, every year we have 100 business start-ups fewer than other comparable parts of the country. If we look at that year on year, the gap is growing. That is why we are determined to do something about it.

We will never catch up if things stay as they are. Economic development is falling behind in precisely the areas where it is needed most by local people. My message to the Minister is clear: however painful the facts, in Stoke-on-Trent we are actively engaged in turning the situation around. We have to make the strongest possible push to get approval for the local enterprise growth initiative.

I can report that our bid is nearing completion. My colleagues in north Staffordshire and I want to ensure that it hits all the right buttons and fits with the work already under way at the council, in children's services and in our primary schools. I want to ensure that, where possible, we consider green enterprise and that that will also be a component of our bid.

So much more is needed. In my research for this debate, my attention was drawn to the work of the Scottish Institute for Enterprise, which has shown what can be achieved when the Government engage with local people to push the enterprise agenda. I want to see a can-do culture develop across my constituency and to send out a strong message to the Minister, the Government office for the west midlands and the regional development agency that this bid has to be supported. I look forward to hearing from the Minister how he could be equally enterprising and ensure that we can provide funding and tackle the enterprise gap.

4.46 pm

The Parliamentary Under-Secretary of State, Office of the Deputy Prime Minister (Jim Fitzpatrick): I welcome the opportunity to discuss the local enterprise growth initiative with my hon. Friend the Member for Stoke-on-Trent, North (Joan Walley), who has made a powerful case for Stoke, and to set out the Government's aims and objectives in encouraging enterprise in our most deprived communities. I am pleased that Stoke-on-Trent has taken a keen interest in the local enterprise growth initiative—LEGI—as have so many of the 91 eligible local authorities across the country. Stoke is typical of the communities that the initiative will assist; it has a relatively low business start-up rate and pockets of deprivation.

All the authorities preparing bids are keen to get the attention of the Government, so by securing the debate, my hon. Friend is already ahead of the game. Much work and significant funding has been put into places such as Stoke-on-Trent, which, as my hon. Friend described, is part of the north Staffordshire housing market renewal pathfinder, a scheme designed to rejuvenate the area's housing market. The pathfinder was awarded £30 million in June 2004 and a recent housing market assessment reported that there had been a significant improvement in the local housing market.

I acknowledge that my hon. Friend has taken a strong lead on regeneration issues in her constituency through her work with the Burslem Regeneration Company, whose master plan for the town has been officially adopted by Stoke-on-Trent council. I applaud her determination to improve the Stoke area. I am sure that she agrees that there is a pressing need for economic regeneration in conjunction with those physical regeneration efforts. In his Budget in March, my right hon. Friend the Chancellor launched LEGI and spoke of the Government's commitment to creating

"a country where enterprise is open to all".

LEGI is designed to foster aspiration and ambition, and encourage innovation and enterprise; it is also about recognising the significance of enterprise to the economy as a whole and the great untapped potential of our most deprived communities in particular.

The importance of enterprise should not be underestimated. Enterprise—a term that covers the formation of new businesses, the expansion of existing businesses and attracting businesses to an area—is one of the key drivers of our economy. In the UK, small and medium-sized enterprises employ more than 50 per cent. of our private sector work force and account for more than £1 trillion of private sector turnover each year.

Enterprise also shakes up the economy: innovation and competition are increased, boosting productivity as new and more efficient ways of doing things are developed. Enterprise benefits us all. There is no doubt that the UK has great potential in enterprise. A recent study by the World Bank reported that we had the best business conditions in Europe, and ranked us fifth among the world's top 20 economies in terms of the cost of starting a business.

However, in spite of our potential, entrepreneurial activity in the UK remains lower than in some of our G7 competitors, and we have nearly 50 per cent. less entrepreneurial activity as a proportion of the population than the United States. Increasing the level of enterprise in the UK will increase our economic competitiveness in relation to those nations. So there is a significant challenge in closing that enterprise gap between us and our competitors, and the impact of enterprise on our economy is clear.

There is also an enterprise gap in our own country, between the most affluent and the most deprived communities. That is the gap that LEGI aims to bridge. By addressing the disparity between our poorest communities and their more affluent neighbours, we can also bridge the enterprise gap between the UK and our competitors. We can use the potential in deprived areas to bridge the gap and expand GDP. There is evidence that shows that our most deprived communities have the greatest potential and can offer the greatest rewards for business. In a country where enterprise is open to all, ambitions will not be dulled by someone's place of birth or where they happen to live. By helping the most disadvantaged communities, we will all benefit.

The simple fact is that fewer businesses start up in deprived areas and more of them fail, as was outlined. Why is that? What are the barriers that constrict enterprise growth in those areas? Access to finance is a major obstacle. People may have great ideas for a business, but without access to finance it is impossible to turn those ideas into reality. People in deprived areas are also less likely to access business support services and the advice of experts who can help future entrepreneurs to start their first business and help young businesses to survive. There are other problems that must be overcome in the poorest areas, which suffer from a lack of relevant skills and experience and in which there is limited access to training.

Each of those barriers has contributed to another endemic problem: a weak enterprise culture. A key task of LEGI will be to change the culture in those areas so that enterprise is seen as a valid choice for local people. That is not just about encouraging people to take risks; it is also about providing the means to enable risks to be taken. Not all enterprises will be successful, but successful entrepreneurs learn from past failures and use those experiences in future ventures. Promoting enterprise is not just about the successes; it is also about the failures. It is about offering support to people who have been prepared to take a risk and helping them to use their experiences positively.

How will LEGI bring about that culture change and combat the barriers that deprived communities face? The size of the financial commitment demonstrates the Government's determination to address those issues and to release the economic potential of the most deprived areas. A total of £150 million per annum of flexible, devolved investment will go directly to the local authorities that are successful at the bidding stage. Furthermore, LEGI has long-term objectives and provides long-term funding to create sustainable change in the communities that it targets. The Government also recognise that there will be more than one successful method of promoting enterprise and LEGI is founded on a flexible approach that is unique to the initiative. By giving local authorities the opportunity to work with partners to shape LEGI to their area and to create the most appropriate programme for their community, the initiative will address the problems of low-enterprise growth in the most direct fashion.

LEGI will focus on outcomes rather than targets. It is about partnerships. Local authorities will have to demonstrate that they have worked with local and regional partners and with the local business community when drawing up their proposals, as well as being able to demonstrate that LEGI will integrate with existing economic and redevelopment strategies in the area. LEGI is not about building new structures; it is about building on existing structures, where they have proved effective, to secure effective outcomes in deprived areas.

LEGI offers not only significant levels of funding, but funding over a substantial period of time: between five and 10 years. There is, therefore, much at stake in the bidding process and local authorities such as Stoke are putting in a tremendous effort to secure it.

Joan Walley: I am encouraged by what the Minister is saying. Will he give me an idea of the kind of money that would be available to the successful applicants in each of the financial years under the LEGI programme?

Jim Fitzpatrick: I will try to come to that point before I conclude. I was just moving on to some issues that are relevant to Stoke.

We recognise that we have asked a lot of local authorities that wish to bid for the first round of LEGI funding, the deadline for which, as was mentioned, is 9 December. We have made some £10 million of pump-priming money available to all eligible local authorities to cover the costs of the bidding process. Although it is a difficult task, there is also a beneficial element to the process, as it forces local authorities and their local and regional partners to think hard about increasing enterprise in their communities. Local authorities will have to demonstrate in their proposals an understanding of the nature of the market failure in the locality and that they have the right solutions to reverse it.

We should not get too hung up on the 9 December deadline. LEGI is not about quick fixes. Local authorities will be able to bid for LEGI funding in two further rounds. Many authorities will choose to take the extra time to hone their proposals and develop their research, and authorities that are unsuccessful in the first round are free to use the experience to prepare improved bids in the later rounds.

I understand that Stoke has adopted an innovative approach to their proposals so far, inviting a broad range of local partners to submit projects for consideration to build a LEGI bid from the ground. Such innovative thinking is welcome. It will be difficult to turn around the economies of deprived areas without doing new things. We want to learn from innovation, capture it and apply it to other areas. The key to LEGI success will be the quality of the proposal. We want bids that demonstrate the real difference that LEGI funding can bring to an area.

The process of choosing the successful proposals will have two stages. First, regions will rank bids in order of their quality, set against the national criteria soon to be published. That will involve discussions between Government offices and regional development agencies. As my hon. Friend said, Stoke will need to maintain the close relationships that it has already established with the Government office for the west midlands and Advantage West Midlands. The regions will then make recommendations to Ministers who will make the final national decisions. I stress again how competitive the process will be. We expect to fund only 10 bids in the first year, 10 more the next year and 10 more the year after, but, from what my hon. Friend said and from the discussions that are taking place in Stoke and the west midlands, it seems that Stoke is giving itself every chance of success.

My hon. Friend asked whether there would be one bid per region. Given that 10 bids will be successful each year, it is clear that there will be more than one in at least one region. However, bids will be judged on the success criteria, so there may be more in some regions. My hon. Friend the Member for Hartlepool (Mr. Wright) will be reassured to know that officials have noted the strong bid that Hartlepool is putting together. I am sure that he will continue to watch matters closely. On the amount of money that will be available, my advice is that £2 million to £10 million will be available for successful bids each year for five to 10 years.

So where are we now? A great deal of progress has been made on LEGI in a short time. The extensive consultation process not only demonstrated the breadth of support for the initiative but gave us an opportunity to refine some elements of the programme. In July, we signalled through the next steps document that my hon. Friend the Minister for Local Government presented to the House that we were going ahead with LEGI and setting a broad timetable for local authorities and others. We look forward to reviewing high quality bids in December and to funding them from April 2006.

There is a great deal of work still to do. LEGI has ambitious aims, and we hope that the impact will be far reaching, boosting the economies not only of the most deprived communities but of the regions and the nation. We must learn from successful programmes so that other local areas can adapt LEGI to their local economies. We have never attempted to tackle this problem in such a sustained way, but by working with partners in neighbourhoods, local areas and regions we will try to make a big difference to local economies. I wish my hon. Friends and their local authorities every success in the process.

Question put and agreed to.

Adjourned accordingly at two minutes to Five o'clock.

Westminster Hall

Thursday 27 October 2005

[MR. EDWARD O'HARA *in the Chair*]

Terrorism and Community Relations

[Relevant documents: Sixth Report of the Home Affairs Committee, Session 2004–05, HC 165, on Terrorism and Community Relations, and the Government's response thereto, Cm 6593.]

Motion made, and Question proposed, That the sitting be now adjourned.—*[Mr. Dhanda.]*

2.30 pm

Mr. John Denham (Southampton, Itchen) (Lab): I am pleased to be able to open this debate on the Home Affairs Committee report, which was published earlier this year. I am also pleased that there is a good attendance, both by members of the Select Committee and by other Members. I will try to be as brief as I can in introducing the debate.

I am glad that my right hon. Friend the Minister for Policing, Security and Community Safety is present to reply to the debate. There will be some criticism of Government policy in my comments, but it is intended to be helpful, and no criticism of her role is intended.

We have discussed terrorism a lot in the past few weeks, both in the Select Committee and in the House. In yesterday's debate in the House on the Terrorism Bill, a number of Members, including myself, stressed the importance of the broader strategy that we need to follow to reduce extremism and to tackle terrorism. Today's debate, far from providing us with too much discussion on terrorism, enables us to look at some of the broader issues that go beyond the legislation. This debate is also relevant because although our report was published before the general election, it specifically addressed the links that we need to make between any legislation that we pass and the wider strategy for tackling extremism and terrorism. I will return to that subject.

The Committee set out about a year ago to look at what effects the rise of international terrorism had had on community relations in this country, and at the same time to try to identify how measures that might be adopted to strengthen community relations and community cohesion could play a role in fighting extremism and terrorism, and in tackling the consequences of world events.

The report was published several months before the London bombing. It gives me no pleasure to stress that point, but the Committee deserves credit for having recognised the importance of these issues—which are now being debated much more widely in our society—long before there had been a terrorist attack on United Kingdom soil as part of the current wave of terrorism. When the Committee was preparing the report we attached great importance to certain recommendations and issues, and that stood in contrast to an apparent lack of urgency from the Government.

I am sure the Minister will refer to the big agenda that is now under way, and which tackles many of the issues in the report. We welcome that and look forward to hearing more about it—and I am sure that the Select Committee will want to discuss it in detail with Ministers in due course. However, the response before the London bombings lacked the urgency that was needed. The Government had not really grasped how central the issues of community relations and community cohesion were to our ability to tackle terrorism. I do not mean by that that there was some magic thing that the Government could have done. It would be ludicrous to say, "If only they'd done this or that, or talked to this group of people, we would not have had the attacks," but we did not see then the urgency that we see now.

For example, recommendation 14 of the report points out that the Government's own evidence to the Committee's inquiry about terrorism and community relations made no mention of the programme of work on community cohesion that had been launched in the wake of the riots in north-west England in 2001. The Home Office should have seen that as directly relevant; that it did not do so was a disappointment.

In recommendation 36, we said that more needed to be done to support the Muslim community in tackling extremism. The only concrete thing that could be mentioned in the Government's response, which we received a few months after the report, was that

"The Learning and Skills Council worked with Muslim religious leaders to run a pilot management and community leadership course for Muslim faith leaders."

Although I have great respect for the Learning and Skills Council, I am not sure that that amounted to the scale of response and support for Muslim leaders that was needed. We will hear from the Minister that a huge programme is now under way through the commission on integration to deal with these matters, but it should have started earlier.

I will make a couple of further observations. We raised the first with the Home Secretary on Tuesday, and it was also raised through the Liaison Committee of Select Committee Chairmen with the Leader of the House. I am talking about the Home Office's failure to provide our inquiry with accurate and relevant documents when we were examining these matters, particularly its failure to provide a Cabinet Office paper entitled "Young Muslims and Extremism" which was subsequently leaked to the newspapers. We subsequently obtained it.

That is important because there is a marked contrast between the tone of the evidence that the Government submitted to our inquiry and the assessment that was made by officials for the Cabinet. Recommendation 4 of our report concluded that since 2001

"community relations have deteriorated, although the picture is by no means uniform".

The Government's response said:

"The Government has no evidence that terrorism and the response to it has led to an overall deterioration in community relations."

Yet the documents we now have clearly show the situation. The Government's assessment of published opinion polls indicated that between 50 and 65 per cent. of Muslims thought that relations between Muslims and non-Muslims had got worse after 11 September 2001. Incidentally, that had not been affected by the Iraq war; it was clearly a result of the terrorist events of September

[Mr. John Denham]

2001. That indicates a serious deterioration in relations, which means that our Committee was right to make the assessment that it did.

Sarah Teather (Brent, East) (LD): Does the right hon. Gentleman agree that the situation since the bombings in July has made the problem worse, and that many Muslims feel greatly under threat? That is because of a perceived sense of collective responsibility, which relates to the media and to Government policy because of stop-and-search powers and proposed powers to close mosques. There is a real sense of fear and of grief among the Muslim community about what has happened.

Mr. Denham: In answering such questions, it is important that I restrict my remarks to the assessment that the Committee was able to make when it did its inquiry. We all have our anecdotal sense of what has happened since. We will have heard people who share the hon. Lady's view, and others who do not. It is difficult to make a scientific assessment—but she is right to raise the issue. I will return to it in a moment in relation to the new legislation before Parliament.

Looking strictly at the Government's response to our report, one could argue that the detail of the wording does not quite exclude what I have just said about how Muslims feel about community relations. My point is that this is not a topic on which weasel words are appropriate. If we have a problem, we must discuss it out in the open and frankly, because that is the only way through.

Mr. Dominic Grieve (Beaconsfield) (Con): The report of the right hon. Gentleman's Committee is extremely interesting. Does he agree that although people's views may be muted, to suggest that since the events of 9/11 constituents do not express much greater hostility towards Muslims and Islam is to live in a fantasy world. I, as a Member of Parliament, pick that up. If Muslims then find themselves feeling victimised, there is a perfectly explicable cause. Yet, the Government seem to have glossed over that issue. My experience is that it is a real problem. As long as it means that entirely innocent people are thereby tarnished by the activities of a few extremists, it is central to improving inter-community relations between Muslims and other communities in Britain.

Mr. Denham: The hon. Gentleman makes another important point; it is the mirror image of what the hon. Member for Brent, East (Sarah Teather) said a moment ago. During our inquiry we received evidence to that effect. A Roman Catholic priest from Oldham described what he hears among his congregation if there is a report of a bombing in part of the world that has been linked to international terrorism. He described how such incidents immediately affect what people are saying—and that was before the London bombings.

The work carried out by the PeaceMaker group in Oldham illustrates clearly how such views and suspicions are taking hold among young people of all races, not only those from minority groups. That is important.

Dr. Julian Lewis (New Forest, East) (Con) *rose—*

Mr. Denham: I shall give way to the hon. Gentleman, but after that I must make some progress.

Dr. Lewis: Before the right hon. Gentleman leaves this topic, does he agree that there is a difference between a community fearing that its relationship with the main community in the country has been worsened as a result of terrorist outrages by a tiny minority, and the actual worsening of those relations? I cannot think of any instances of brutality or retaliation against individual innocent Muslims since 7/7 by members of the non-Muslim community that have been reported. Perhaps I am wrong about that, but fear is subjective, and the reality of worsening community relations might not be so extensive, or, indeed, may not exist.

Mr. Denham: I understand the hon. Gentleman's point. It is true that the violent crime statistics do not necessarily bear out such concerns. The available statistics, some of which have been gathered by community organisations, show, for example, an increase in anti-Semitic attacks that is at least as high as any reported increase in anti-Muslim attacks. The issue is complex.

On a cautionary note, to some extent perception may be subjective, but it can be real. It can colour the way in which people feel that their lives are being lived. We said in the report that we had analysed the data—last year's data, of course—on the use of section 44 powers. We did not find evidence to show that they were being used disproportionately to target Asians—we did not refer to Muslims because the data had not been collected. Those powers are largely used in London, and pretty much in proportion to the London population. However, there is no doubt from the evidence that young Muslims feel that they are being targeted by the use of the powers. That is a substantive political issue. We cannot simply say that they are wrong, and that they will just have to lump it. We will have to deal with it. I understand the hon. Gentleman's point, but some care needs to be taken about what conclusions we draw from it.

As for the documents that we did not receive, it was made clear there had been a fairly extensive assessment by the Government, which had not been shared publicly, setting out the reasons why some young people might be drawn into extremism and possibly terrorism. It is a lengthy assessment. I shall not read it all out, but the section on policy issues states:

"It seems that a particularly strong case of disillusionment amongst Muslims including young Muslims is a perceived 'double standard' in the foreign policy of western governments (and often those of Muslim governments), in particular Britain and the US."

It said that there was

"Perceived Western bias in Israel's favour over the Israel/Palestinian conflict".

and continued:

"The perception is that passive 'oppression', as demonstrated in British foreign policy, eg non-action on Kashmir and Chechnya, has given way to 'active oppression'."

I shall not go into the merits of those issues, but it is significant that there has been an assessment inside the Government of the factors leading to potential involvement in extremism and terrorism that is different from what they said publicly about the same issues when they were raised in debate.

The Government might sometimes think that points in their private assessment are difficult, controversial and not to be aired in public—but if there is a theme running through our report, it is that greater openness, and more open discussion of such difficulties issues, are essential. If some young people are alienated by foreign policy, we should admit it openly and then engage in the ensuing discussion. We do not say that the policy has to be changed, but we should say that it is on the agenda and open for debate. We must not say that it cannot be discussed. This is not only about whether the Committee gets relevant documents, although that is an important procedural point, but about how the Government discuss such matters.

I have a final moan to make to the Minister. When preparing for today's debate, I tried to get Select Committee members further information about the commission on integration, but was told that the only document that could be made available to the Committee was a September press release. I must tell my right hon. Friend that such a response is not good enough, given the working relationship that Select Committees should have with Government Departments.

I wish to make a personal point before turning to the report. It is my considered view that we need a dedicated Minister of State to deal with counter-terrorism. I mean no disrespect to my right hon. Friend the Minister for Policing, Security and Community Safety. I used to resist the idea of having a homeland security Minister on the ground that our resilience structures for dealing with attacks did not need a shake-up or co-ordination. Indeed, the response of the emergency services in London—they have never been complacent—show the strength of our existing resilience structures. However, given the scale of the threat that we face, spreading a number of issues—from the Security Service and certain aspects of foreign policy to the matters that we are debating today—across a number of Departments makes things quite difficult.

The idea of having a Minister to deal with counter-terrorism was apparently floated in a Cabinet Office or policy unit paper that was leaked at the weekend. If such a post is created, it clearly should not be in the Cabinet Office, which is an elephants' graveyard from which nothing useful emerges. It should be a Home Office position; I hope that the Government will take that idea forward.

The Committee's report is obviously lengthy, and many Members want to contribute to the debate, so I shall highlight a few points and try not to repeat what I have already said. We found an overall deterioration in community relations, although there were many positive points. We highlighted the fact that it went further than the Muslim community; there had been an increase in anti-Semitic attacks, and the Hindu and Sikh communities felt that their concerns had sometimes been neglected. However, the claim made during our inquiry that organisations based at Neasden Hindu temple were involved in terrorism were not substantiated—a fact that we recorded in our conclusions.

We examined the use of stop-and-search powers, which is a major problem for the Government's stop-and-search group. It may be that young Muslims are not being disproportionately stopped using terrorist powers, but they are clearly stopped in large numbers under other stop-and-search powers, as are other young Asians. The way in which young Muslims perceive those searches is a problem: they perceive that they are being targeted because of terrorism. Whether that is really the case or not, we could not establish, but the Government need to deal with that problem.

We also considered the role of the media. All media witnesses rejected the claim that the Government manipulated the media agenda in order to exploit or raise public concern over terrorism. However, we were highly critical of much media coverage. Some, perhaps, is obvious. For instance, it is no surprise to have heard that if tabloid newspapers linked asylum, terrorism and Muslims in one phrase or in one article, it would give rise to fear and hatred.

More surprising was the extent of criticism of the broadcast media—or at least about their impact. Although the broadcast media rarely show the excesses of some of the tabloid press, we were told that apparently straightforward factual accounts of terrorist attacks involving people who claim to be Muslims can and do have a direct effect on community cohesion. That is a real challenge for broadcasters. I do not pretend to know the answers, but it was useful to highlight the issue.

There are areas in which positive action is needed. The agenda set out by the Cantle report on community cohesion in 2001—particularly with regard to bringing communities together, where people live separate lives—is as relevant today as in 2001. It is important that the Government should refresh that agenda and give it a new lease of life.

Local leadership has a critical role. We saw impressive work by some local authorities here and in France and the Netherlands, in bringing communities together. The quality of leadership at local level often impressed the Select Committee more than the leadership of some national organisations—not necessarily Governments but faith organisations and others. There was much greater dynamism among faith leaders of all faiths at local level than among some of those at national level who came to the Select Committee.

Faith work is important, but inter-faith organisations at local level were patchy in their coverage and often did not reach beyond the small numbers of people who were currently involved with them. The Government cannot force such organisations to come into existence, but national and local government can do much to help. The good practice that we saw in local government was far from standard. Even in the best led areas there is still a struggle to involve the young people who might be most at risk of being drawn into extremism.

[Mr. Denham]

By way of a brief aside on the Cantle agenda, I think that the events in Birmingham this weekend, linked to issues entirely other than those that we are discussing today, should reinforce the message for us that when communities in towns and cities appear to live side by side but do not interact successfully, we have a problem on which the Government need to act.

Schools are enormously important, because they are places where a large number of young people from different backgrounds come together. We were worried by what we found out about schools. We commissioned a well-respected organisation called PeaceMaker, which is well known in the north-west, to work with school students and tell us what was happening among young white students and young Muslim students. Many schools were reluctant even to let PeaceMaker in to hold the discussion. I do not want to repeat the evidence, which is in the report, but when discussions did take place, the suspicions, mistrust and prejudice that we found were worrying.

The Government have an important role in providing leadership to schools and giving them the confidence to handle such different discussions in schools. The response to the relevant point in our report was worrying. The Government told us that that was really a matter for schools and local education authorities. I was pleased that when the Home Secretary gave evidence to us on Tuesday he acknowledged that there is a more important role for central Government—and I hope that the Minister will tell us what is to be done.

Another aspect of the Cantle report that we have pursued is the importance of a constructive debate about British identity and how it should work in the 21st century. That discussion needs to happen. An anecdote that is not in the Committee's record is about a group of young Muslim school students from the north-west of England who wrote to us towards the end of our inquiry ask if they could come to give evidence. It was far too late to add them to our official group of witnesses, but more than half the Committee turned up to an informal session one day, to hear them speak, and they gave us a wide range of useful insights into their experiences.

It was the week after a young man from Gloucester had been convicted of planning to blow up an aircraft, and we asked the students why on earth a young man, apparently with a reasonably comfortable background and good academic success, should get into that position. With one voice they said, "It's simple; it's about identity." It is about people who are not confident of who they are in a society where they are perhaps rejected because of their race and where their faith is not accepted, and with which they find it hard to identify, although they do not particularly identify with their parents, or with their parents' or grandparents' country or culture either. Who are they? They could turn, as a minority do—we say this in the report—to faith as an identity. Within that, a minority of a minority turn to extreme interpretations.

It seems to the Committee that open discussion is needed, not just about how Muslims feel British, because that will not work, but about how we all, in future, can feel British in a multi-cultural society. The Government—I was a part of that Government at the time—missed the opportunity provided by the Cantle report in 2001 to push the debate forward. We now need to do that. That debate has broken out in the pages of the broadsheets and the intellectual political magazines, but to have any meaning, it needs to take place at street, community and local government level.

The Committee thought it important that new legislation should be developed in close consultation with the Muslim community. I am not sure whether that is true of the Terrorism Bill, particularly the first two clauses, which are designed to help us to tackle extremist ideas. It is unclear whether the people in the Muslim community whom we expect to be in the front line of tackling extremist ideas find those clauses helpful. We said that there was a need, in such sensitive areas, to work in close conjunction with the Muslim community—although of course it is more than a community; it is a series of communities. Will the Minister tell us what endorsement of the proposals has been received from the Muslim community?

We now know that the Government's assessment of the situation a year ago warned against targeting organisations such as Hizb ut-Tahrir, on the ground that that is not the right way in which to tackle extremism. Why has that assessment changed?

I conclude on a clear and positive note. That is important, because these reports inevitably concentrate on shortcomings and things that need to be improved. Despite all that I have said about the Government having to do more, the need for greater urgency and being pleased about what the Government are doing now, our clear, unanimous assessment in March and April was that this country has done better, made more extensive preparations and approached the problems much more seriously than others whose representatives we met in France and the Netherlands. In the extent to which they have got to grips with these issues, they are some way behind us. The Government, and other organisations, involved deserve some credit for doing that.

Our report was quoted extensively in the debate on these issues in the Netherlands Parliament a few months ago. We, as a Select Committee, want to continue our interest in these issues. At the end of November we will host a conference of our sister committees across the European Union to discuss the report and share experiences, and we are pleased that the Home Secretary will host the main dinner of the conference.

I understand informally—this is not confirmed—that the Austrian presidency is likely to continue focusing on this issue, and that we will again meet our sister select committees in about six months' time to further our discussions. I hope that that will be useful. Although many such issues have to be discussed at Government-to-Government level, I hope that the regular engagement of serious parliamentarians from serious select committees across Europe will help us to share experiences and develop our understanding of how to tackle these important issues.

2.58 pm

Mr. James Clappison (Hertsmere) (Con): I am pleased to have this opportunity to debate our report, and to hear more from the Minister about how the Government intend to tackle some of the problems

highlighted in it. I congratulate the right hon. Member for Southampton, Itchen (Mr. Denham) on his chairmanship and leadership of the Committee during the making of the report. It will be evident to anyone listening to the debate that he takes a close personal interest in, and feels a sense of commitment to, these issues. That sense of commitment was evident earlier this year, when he was anxious for certain issues to be highlighted and more urgency to be shown, and to make the important connection between anti-terrorism laws and operations and the need for a wider strategy that reaches out to and engages communities, so as to make them feel part of the process. That important point cannot be over-emphasised.

Although the report considers some uncomfortable issues and talks about tensions—it is right to look at the tensions when they exist—at the same time we should never lose sight of the fact that the overwhelming majority of members of all communities in the country, including the Muslim community, live harmoniously. They work together, get on together, go to schools together and want to get on with their lives in a peaceful and harmonious way. We should never lose sight of that.

At the same time, we have to consider the challenges outlined in the report. The right hon. Gentleman was right to say that many points of our inquiry covered the same ground as the Cantle report. It is important to highlight and scrutinise the follow-up to that report. One of the challenges that faces our communities, especially in some of our northern cities, is the way in which communities lead peaceful but separate lives, side by side, without sufficient points of contact. That was an important part of the background to the report.

There was also a more immediate challenge in the impact of international terrorism and extremism on our communities. There are no grounds for complacency. We know now that although the Government did not entirely accept our conclusion, they had plenty of evidence that it was the case. Our conclusion was a fair picture. We noted:

> "We conclude that community relations have deteriorated, although the picture is by no means uniform, and that there are many positive examples to set against our overall assessment. International terrorism and the response to it have contributed to this deterioration, particularly in relations between the majority community and the Muslim community."

It goes without saying that the challenge is significant. It is likely that part of the wicked intention of the terrorists and extremists is that there should be collateral damage to community relations as a result of their acts. They are likely to have made that calculation and to have looked to every possible recruiting sergeant and source of grievance that will arise as a result of the wicked acts that they have carried out.

Sarah Teather: Does the hon. Gentleman agree that part of the problem is the way in which terrorism is described as a problem of the Muslim community rather than as a minority of criminals committing criminal acts? The sense of collective blame leads to the sense of alienation and fear in the Muslim community.

Mr. Clappison: I happily endorse the hon. Lady's comments, but I make one qualification, which I will enlarge on later: there is greater sophistication in public opinion than we might allow for. Most people in this country can see that those are the acts of a tiny minority.

I endorse the hon. Lady's comments, and I shall add some of my own. Although some members of the community have taken part in terrorism, we should never lose sight of the fact that they are few in number. They are isolated both within their community and in the wider community, and they are unrepresentative. Nevertheless, it remains the case that the security response to terrorism carries with it the possibility of affecting many other members of the Muslim community. We should not lose sight of that fact either.

As the right hon. Member for Southampton, Itchen said, it is important to minimise or remove altogether any suggestion that the security response carries with it the implication of bias against Muslims or any possible source of grievance. We have to be careful in the words that we use. Members of this House, community leaders, the media and particularly pressure groups should all take care to give a balanced view—not to be selective, not to hold back from reporting something that is objectively the case and can be backed up, and needs to be put right, but to avoid creating myths that can lead to alienation.

The right hon. Gentleman rightly referred to the work done by the Committee in that regard and the evidence that we took. After examining the evidence, we reached the conclusion that

> "We do not believe that the Asian community is being unreasonably targeted by the police in their application of Section 44 of the Terrorism Act or of the other legislation enabling stops and searches."

There is a problem of perception that we need to address, but let us not make that perception worse and embroider myths; let us see what the facts are and address them as they are. We must not do anything to add to any possible sense of grievance that was in the calculation of the terrorists in the first place.

Of course, the Government have a role to play in engaging with the Muslim community, and I endorse the remarks made by the right hon. Gentleman. I certainly share his view that it would have been helpful for the Committee to have had sight of, or even known of the existence of, the Cabinet Office study "Young Muslims and Extremism". That would have helped us a great deal. I welcome some of the Government's response, but it would have been better for there not to have been a parallel line of thinking at the Home Office; as a parliamentary Committee, we were told one thing, while there was a different line of thinking within the Home Office. Some lessons need to be learned from that.

On a more positive note, I look forward to hearing more from the Minister on the Government's engagement with the Muslim community. Such engagement formed a very important part of our conclusions; we wanted the Government to engage with, help and give leadership to that community and help it evolve its own strategies. In paragraph 4 of their response, the Government state:

> "As part of the strategy to improve community relations, the Government is committed to ensuring that Muslim and other faith communities are engaged and involved in the formulation of policies that have a direct relevance to them."

[Mr. Clappison]

Again, I am covering the same ground as the right hon. Gentleman, who asked how much input there had been from Muslim leaders to the first two clauses of the Terrorism Bill. I look forward to hearing from the Minister on that, and to a reassurance from her that the Muslim community will be closely engaged in the formulation of Government policy; there is a great deal to be gained from that.

Sarah Teather: Does the hon. Gentleman agree that there is a particular need to involve young Muslims, and that one of the difficulties has been that we have been talking only to community leaders, who may not be representative of the whole base, rather than getting to the roots of communities?

Mr. Clappison: That is a good point. There are issues in the Muslim community and it is important to engage with all its strands, help it evolve its own strategies in response to such matters and enable as much impetus as possible to come from within the community, rather than its having something that it might not endorse in every respect dictated to it by the Government.

Since the publication of our report and the Government's response, we have seen the tragic events of July, which produced a response from the Government in August in the form of the Prime Minister's 12-point plan. The measures that some of us were debating yesterday formed part of the Government's response, but I should like to ask the Minister about some other elements of the Government's 12-point plan that were not covered by the legislation yesterday—in particular, the Prime Minister's statement of 5 August that the Home Secretary was publishing new grounds for deportation and exclusion. Indeed, that was the point on which the Prime Minister said that the rules of the game were changing. Will the Minister say whether there have been any deportations? I do not believe that there have, but she will correct me if I am wrong. When does she expect deportations to occur as a result of the grounds that the Home Secretary is introducing?

The Prime Minister also promised to consult on an extension of existing powers to strip citizenship from those who act in a way that is contrary to the interests of this country. What is happening about that? The Prime Minister mentioned the case of Rashid Ramda, and I share the views of the Home Secretary on that. Imagine the outcry in this country if things were the other way round; imagine if one of those responsible for an attack on the London underground went to France and we could not secure his extradition for various reasons. We should feel no less of a sense of urgency or outrage because the victims of the 1995 bombings were French citizens; the issue needs to be addressed. The Prime Minister promised to consult on setting a maximum time limit for future extradition cases, and we hope that that will prevent a case such as that of Rashid Ramda from occurring again. Will the Minister tell us what is happening?

During the inquiry, I was most struck by the evidence of Gerry Gable, the publisher of *Searchlight*. He was asked about the links between 9/11, the threat of terrorism, community tensions and the rise in anti-Semitic attacks. He said:

> "I find this very interesting. If you look at the immediate period after 9/11 . . . there were far fewer incidents involving the Muslim community than any of us expected".

He went on to say that there had, in fact, been a rise in anti-Semitic attacks. Nonetheless, the question of Islamophobia and attacks on the Muslim community is important, and we must be careful to ensure that any such attacks are properly addressed; there are no grounds for complacency. Indeed, one important conclusion in our report is that much more data on attacks should be collected. The Muslim community could draw on the experience of the Jewish community's Community Security Trust and keep a record of attacks, because it is important that we have objective information about them.

Given the lack of information, our judgment is inevitably subjective, but I do not feel that there was an upsurge in Islamophobia after 9/11 or more recent attacks in this country. British public opinion is more sophisticated than it is sometimes given credit for, and people can see that these wicked terrorist attacks are carried out by a very small number of people. The overwhelming majority of this country's citizens distinguish between those people and the rest of the Muslim community, and they feel sympathy towards that community because of that small minority's activities.

Dr. Julian Lewis: I endorse warmly what my hon. Friend has said. It is not lost on the majority community that many of the victims of 7/7 were Muslim citizens.

Mr. Clappison: Absolutely. My hon. Friend makes an extremely important point, which deserves wide circulation. If Islamophobic attacks are happening they must be dealt with very severely, but I do not feel that that is the general picture. Others may take a different view, but that is my feeling.

However, the Committee heard a lot of evidence in the same vein as that from Mr. Gable about attacks on members of the Jewish community. That included worrying evidence about the problem of anti-Semitism on university campuses. We also heard quite a lot of worrying evidence of problems with anti-Semitism in other European countries.

Our concerns are reflected in the report's conclusions. In paragraph 9, we express concerns about anti-Semitic incidents on campuses. I welcome the Government's response to that point and the fact that they deplore anti-Semitism on campuses. I ask the Minister to take a personal interest in the initiatives being undertaken by Universities UK, which the Government's response mentions, to ensure that they come to fruition. There is certainly no place for any form of racism or anti-Semitism on our university campuses.

While I am welcoming parts of the Government's response, I warmly welcome their commitment to the continuation of holocaust memorial day, and their recognition that the day reinforces the message that racism and prejudice can have catastrophic consequences, and that there are still important lessons to be learned.

Since our evidence taking and our report it has, sadly, become evident that the problems that I described are still with us; in fact, more evidence of them has emerged.

I have already referred to the Community Security Trust, which, as hon. Members will know, was established by the Jewish community. Today it is a well-respected organisation that gives advice and help to organisations in other communities. Sadly, last year it recorded 532 anti-Semitic incidents; that is a 42 per cent. rise since 2003. When I say "incidents", I am referring to specific incidents, many of which included violence and damage. The Community Security Trust recorded that of those 532 incidents, 124 showed anti-Israel or anti-Zionist motivation, and 84 showed a far-right motivation.

In this country there are two strands of anti-Semitism at work, as we have found is also the case in other European countries. One strand draws political inspiration from events in the middle east, and is in many cases fuelled by propaganda emanating from the middle east. The other is a form of anti-Semitism that harks back to the extremism and far-right fascist ideology of the last century. Both of them are to be deplored, and certainly need to be dealt with vigorously; the full force of the law should be applied to them. I am aware of at least three very unpleasant attacks on Jewish cemeteries so far this year in different parts of the country. These problems are still with us, and we still need to address them. There are no grounds for complacency about the tensions and problems that affect any of the communities in Britain today.

I go back to the point on which I started: we should not allow ourselves to become too gloomy or despondent about this subject. There is a lot of vibrancy in this country, and much of it is due to the different cultures in Britain. I understand that while we are debating these issues, Diwali celebrations are taking place in another part of the House. Diwali is an event of great richness, and I draw much pleasure from attending Diwali and other celebrations, which are very colourful, with members of the Hindu community in my constituency. There is a great deal to learn from the Hindu community and others; we can learn from different faiths and cultures. That is a richness on which we can all draw, and which we can all share.

Although there are tensions, this is a tolerant country. We have a strong tradition of religious and cultural tolerance stretching back to at least the 19th century. People in this country enjoy drawing on that rich tradition. Let us hope that it will continue to prevail over the problems of today, as it did over problems that we encountered in the past.

3.18 pm

Mr. David Winnick (Walsall, North) (Lab): I shall follow up some of the points made by the hon. Member for Hertsmere (Mr. Clappison) and, like him, I praise the Chairman of the Select Committee, who looks after our proceedings impartially. We are all very pleased about that.

We Select Committee members make it clear in the report—and we reiterate it today—that the overwhelming majority of Muslims in the United Kingdom totally reject terrorism in this country. That is made clear in a number of paragraphs in the report, particularly paragraph 177 on page 48, in which

> "We reject any suggestion that Muslims are in some way more likely to turn to terrorism than followers of other religions."

As the Chairman of the Committee stated, it is important that anti-terrorist legislation should in no way be seen by the Muslim community as directed against it. Nevertheless, in the report we accept

> "that there is a clear perception among all our Muslim witnesses that Muslims are being stigmatised by the operation of the Terrorism Act".

That is undoubtedly extremely harmful to community relations. We go on to say that special efforts should be made by the police and Government to reassure Muslims that they are not being singled out unfairly. Any discrimination against Muslims because they are Muslims would be wrong in itself—like discrimination against any group—and counter-productive.

Page 17 of the report, which is about stop-and-searches, is of interest. We must take into account the different numbers. The number of whites stopped in 2003–04 was 20,637, the number of blacks stopped was 2,704 and the number of Asians stopped was 3,668. One assumes that Muslims would be the main part of the latter category. Even those figures are not so excessive as to give the impression that Asians, whether Muslims, Hindus or Sikhs, are being stopped in such a way that unfairness is being applied by the police.

It is interesting to note that a Muslim activist in my borough, if not in my constituency, was quoted recently in the local press as saying that, when he got on a train, he wanted to stay in one piece while travelling and to go home in one piece. My borough has a relatively large Muslim community, although there are more Muslims in the next-door constituency. A young schoolgirl of 11 or 12 came up to London for the day with her teacher. It was 7 July. They were near Tavistock square. Fortunately, no harm was done to them. One can imagine the sheer relief, which, as parents, we would all feel, when the daughter came back safe and sound. That illustrates a point that has already been made: the victims of terrorist attacks can include anyone, including Muslims. That should not be forgotten.

When the IRA was bombing Britain, there was a need to ensure that Irish residents were seen not as the enemy but, like the rest of us, as potential victims of the terrorists. A terrible tragedy occurred on 21 November 1974 in Birmingham, when 21 people were murdered in two public houses. Half of them were under the age of 25 and among the victims and seriously injured were people of Irish origin. The IRA could not care less. Why should it, given its distorted terrorist point of view?

Likewise, the small number of Muslim terrorists, who are totally isolated from their own community—let alone from British society as a whole—have no concern whether or not the victims are Muslims. Given their totally distorted point of view, they might even say that, if the victim is a good Muslim, they will just go to paradise earlier. That needs to be borne in mind.

Just as during those 30 years of sustained IRA terrorism it was necessary to prevent, in any way possible, thugs attacking the Irish, so today there is no lesser need to ensure that Muslims are not subjected to attacks by thugs and hooligans. Clearly, that is the responsibility of all of us: the police, the local community and politicians at local and national levels.

It is also a necessity, as stated in our report, for the Muslim community to ensure that those extremists are weeded out from mosques and community

[Mr. David Winnick]

organisations, where they can spread so much harm and poison. That responsibility lies first and foremost, as it must do, with the Muslim community.

The hon. Member for Hertsmere mentioned not only prejudice against Muslims, but anti-Semitism. That is highlighted in our report. I do not want to exaggerate the dangers of anti-Semitism in our country. I do not believe that the level of anti-Semitism is anywhere near what it was in the 1930s. Blackshirts are not marching through the streets of east London, causing mayhem and fear. The situation is different today.

However, it is important to recognise that elements of international terrorism are bound up with anti-Semitism. Before the American journalist Daniel Pearl was murdered in Pakistan—his head was cut off—his captors made him say this: "My father is Jewish. My mother is Jewish. I'm Jewish." Why did his killers force him to say that? The explanation is clear. In their eyes, he was not only an American. To them, the very fact that he was Jewish justified killing him. The poisonous anti-Semitism that led to the life of that American journalist being taken is the same sort of anti-Semitism that it is so important to combat at every opportunity, both in our country and elsewhere.

Although I said that we must be careful not to exaggerate the dangers of anti-Semitism, as the hon. Gentleman pointed out, the evidence given to us by Gerry Gable, who has for so long been associated with the anti-fascist magazine *Searchlight*, and by representatives of the Union of Jewish Students showed that, in some places of higher education, such as the Open university, anti-Semitic remarks have been made, and that in certain cases anti-Semitic attacks have taken place.

I again make the point that when I mention anti-Semitism I am not referring to criticism of Israel's policies. No one could be more critical of Israeli policies than I am. Indeed, last year, I initiated a debate on Israel's policies in the occupied territories, and along with colleagues demonstrated my total distaste about what was happening and my solidarity with the Palestinians, who are the victims. Therefore, when I mention anti-Semitism I am not referring to Israel, although those who spread anti-Semitism try to link them.

It is important to recognise that in some institutions of higher education a very small number of extremists among Muslim students are spreading that type of poison. They use every opportunity to encourage anti-Jewish prejudice. The academic authorities have the important responsibility of stamping that out. We expect them to stamp out anti-Muslim sentiments. We are not going to tolerate that and I hope that the academic authorities—at the university of London or any other such institution—will not accept any of that either. Likewise, the academic authorities and others must not be complacent about anti-Semitism on their own doorstep, and where it is happening—they have a responsibility to know about that—they should take appropriate action.

Mr. Denham: My hon. Friend is making an important contribution, as he and the hon. Member for Hertsmere (Mr. Clappison) have done throughout our discussions. I support my hon. Friend's point. Although his assessment of the current situation is probably right, the evidence we received, in particular in our visits to France and the Netherlands, was deeply worrying. There, far more than here, it was reported that visibly identifiable Jewish people, such as those wearing religious clothing or headgear, were regularly subjected to abuse and attack on public transport. That evidence showed me how things might end up if we do not rigorously tackle anti-Semitism here and now in our country.

Mr. Winnick: I appreciate the point that my right hon. Friend makes. One should never forget that, where discrimination started, it ended up in the extermination camps. Nobody should be under any illusion: there is a direct connection, and we should learn the lesson of what occurred over 60 years ago.

Finally, I do not want to involve myself in controversy with the Mayor of London, but we are concerned here with good community relations. I find it difficult to understand how a cleric can come into this country as a visitor, whether or not he is a leading authority in religious matters, and express views that most of us would consider outrageous about Jews, homosexuals, whom he believes should be put to death, and women, saying, for instance, that if a wife does not behave properly one can smack her so long as one does it carefully. How can the Mayor of London, who, let us remember, some 20 years ago when it was not fashionable, particularly among those on the Conservative Benches, took a courageous stand on behalf of those who were sexually inclined to their own gender and on other issues, go to where such a person is speaking and embrace him warmly as a long-lost friend? How does that contribute to good community relations?

Mr. Grieve: The hon. Gentleman is making an important point. However, I would hazard the explanation that the Mayor of London did that because he perceived that the views being expressed by that individual, which I find every bit as abhorrent as does the hon. Gentleman, were not considered extreme in a large part of the community to which the Mayor wished to appeal, but were perceived to be mainstream. That is a subject that we are sometimes unhappy to talk about openly. I suggest that that is why the Mayor did it. His perception was that cleric was not an extremist, or at least not viewed as one within the community to which he went to preach.

Mr. Winnick: That might be the Mayor's view, and he has broadly indicated as much. That does not satisfy me. When we heard evidence recently from the Mayor of London, I tackled him on the issue. I asked him whether, if a rabbi from Israel—remember that Islam does not have a monopoly on extremism, and that Israel unfortunately has quite a number of rabbis whose views are equally bigoted and, in my view, downright evil, although I hope that they are a small minority—came to Britain and expressed views about Muslims, homosexuality and other matters that were as repugnant as those that that cleric expressed about Jews, he would warmly embrace such a person. I would hope not.

I know what I would say about such a rabbi: I would denounce him at every opportunity, as I would a bigoted leader of any religion. Christianity has its bigots. In the

American religious right, there are views that go against sanity so far as I can see. All of us have to be careful and that includes the Mayor of London. It falls to us humble MPs, in carrying out our duties, to ensure that, where community relations are concerned, we do not go overboard and cause antagonism with other community groups.

The report is valuable, as the Chair of the Select Committee has indicated. No doubt we shall revisit the scene. Good community relations are extremely important, so anything that the House of Commons as a whole can do is welcome at a time of acute terrorism. We have only to look out of the window to see how the House is being protected for all of us—MPs, staff and everybody else. We know the dangers. We know that people committed atrocities on 7 July and that, given the opportunity, others would do the same. It is important to ensure, as we did during the IRA terror campaign, that good community relations are upheld at every opportunity.

3.34 pm

Dr. Julian Lewis (New Forest, East) (Con): I am neither an expert on community relations, nor, indeed, a member of the Committee and I am grateful for the opportunity to pursue various thoughts that have been stimulated by the uniformly excellent contributions of those hon. Members who are experts in community relations and members of the Committee.

I start, optimistically, with a single rough statistic. There are well over 1 million Muslims in the United Kingdom. Yet as far as I know, the grand total of Muslim individuals who have been involved in terrorism or arrested for activities that were expected to get them involved in terrorism is not yet in more than double figures. That comparison speaks for itself. I entirely agree with the hon. Member for Brent, East (Sarah Teather) who said, in her first intervention on my hon. Friend the Member for Hertsmere (Mr. Clappison), that those people should be seen not as Muslims per se but as a tiny minority of criminals in the Muslim community.

The problem, however, is not, as the hon. Lady suggested, that members of wider British society tend to characterise those murderous individuals by their Muslim faith. It is that the people who subscribe to those extreme views and carry out the atrocities describe themselves as doing it in the name of Islam. Although they may be lacking in many qualities, they and those who send them on their mission possess in abundance one quality above all—that of expert propagandists.

Those people do what they do precisely because they know that by operating beyond the bounds of what is acceptable in a free society against a free society they will have a good chance of subverting the pillars of that free society and driving wedges between the different communities that make it up.

Insufficient stress has so far been given in the debate to two ways of tackling the problem. The first I have already mentioned: propaganda. If the people in question are such expert propagandists we need to set up the machinery of counter-propaganda, with the full support and essential co-operation of the leaders of the moderate Muslim community. How is it that young people may be brainwashed into sacrificing their lives in a belief that there is a religious basis for the view that they will be rewarded in the afterlife in some exaggerated way? They hold those views because someone has indoctrinated them.

We need, desperately soon, people from the Muslim community—religious leaders with impeccable qualifications and immense depth of religious knowledge—to put forward the true interpretation of their religion, and to undermine the false vision that is given to impressionable young people capable of being indoctrinated.

Secondly, an important factor that has not yet been mentioned is the accessibility of the political process. I am sure that all hon. Members look forward to the day when there will be as many Labour, Conservative and Liberal Democrat Members of Parliament who are Muslims as there are Members in those parties who are Roman Catholic.

Mrs. Ann Cryer (Keighley) (Lab): The hon. Gentleman has not mentioned Muslim women MPs.

Dr. Lewis: I thank the hon. Lady for that intervention and I look forward to her speech. I salute the work that she has done to stress the importance of members of ethnic communities accepting the values and language of British society, to which they belong, and in which we want them to participate fully.

Mr. Winnick: I noted what the hon. Gentleman said. Perhaps that will happen, in time, on both sides of the House. We already have Muslim MPs on my side, although obviously there will be many more. When I first came to the House—39 years ago, for a different constituency—there were just two Jewish Members of Parliament. That was simply because it was difficult for anyone who was not white—and, probably, a Protestant, although there were a few Catholics—to be selected for a winnable seat, and therefore to sit on the Tory Benches. Now, of course, the situation is totally different. That shows that the Tory party can make progress, but very slowly.

Dr. Lewis: Apart from the partisan twist at the end, I am delighted that the hon. Gentleman made those comments because he anticipated precisely what I was about to say. Coming from a Jewish background, I am well aware of the history of representation in the British political process, and I am delighted to say that when I see in Parliament someone from a religious background similar to mine, it makes not a scrap of difference: if they are on the opposite side of the House, they will do everything they can to defeat me in argument, and I will do the same, because our religion is secondary.

Mr. Grieve: I cannot allow the comment of the hon. Member for Walsall, North (Mr. Winnick) to pass without adding that when Mr. Gorbachev first visited London in 1984 and met Mrs. Thatcher, his reaction, on being introduced to her Cabinet, was to say, "But they are all Jews," and he was not altogether incorrect—a substantial percentage of the Cabinet were.

Dr. Lewis: That is enough of that. The essential point is that at this stage of political development in this country—a fortiori in the United States—whether one is Jewish is almost completely irrelevant to one's views.

Mr. Winnick: Is the hon. Member for Beaconsfield (Mr. Grieve) aware that in about 1958, a year before the election, the retiring MP for Finchley said to his friends at the House of Commons, "Do you know what's happening in my constituency? They've shortlisted two people; one's a Jew and one's a woman." The woman, of course, was Mrs. Thatcher.

Dr. Lewis: Indeed. No doubt in the blinkered view of somedne like that, the person who got the nomination would, in any case, qualify as an honorary man.

I return to the essential point. We must hope that it will not be too long before political debate is carried on between members of the Muslim community in different parties with total disregard for their common religion. It is essential for any incoming ethnic minority community—even more so for their descendants who are born and brought up in this country—to realise that the political process is wide open to them. If people in the Muslim community feel that a double standard is applied to Muslim societies abroad in comparison with Israeli societies, the answer is not to go around attacking Jews in this country, but to get themselves into the Conservative, Liberal Democrat and Labour parties, or any other party that appeals to them, and get themselves elected to this place.

We are experiencing the perennial problem of how a tolerant society should deal with intolerant minorities, without debasing its own values. I have quoted, and will continue to quote, the wise words of the late Sir Karl Popper, who said, in his paradox of tolerance, that we should tolerate all but the intolerant, because if we tolerate the intolerant, the conditions for toleration disappear and the tolerant go with them. That is why parties such as ours have had reluctantly to give our approval to certain measures, introduced in the House only yesterday, that we would normally never dream of implementing in a free society. We have to remember that a minority of fanatics have declared war on our free society, and that when a war is declared, some freedoms have to be limited to ensure that that war is not lost, and that all freedoms are not abrogated.

We should be considering how the Muslim community in this country can learn from how the Jewish community in this country gradually evolved, got itself involved with the political process and was able to strike a balance between understandable historic links with the background of certain countries and cultures and the decision taken by its people to make their lives in British society of the present and future.

Finally, if the threat is to be defeated, that will have to be through a combination of resilience by society, a refusal by the majority Muslim community to be seduced by the fanatics, and security work by the intelligence agencies. Those agencies can succeed only if members of the Muslim community who share liberal values and love freedom get involved in intelligence work to ensure that their good name and the good name of their community are not further sullied by the activities of a fanatical minority.

3.46 pm

Mrs. Ann Cryer (Keighley) (Lab): I know that we are supposed to say nice things, but today I really mean it: we are having an excellent debate and I have learned a great deal from hon. Members on both sides of the Chamber. I apologise to my hon. Friend the Member for Walsall, North (Mr. Winnick) for my departure during his contribution. I assure him that it was essential.

I shall talk about the processes that we are going through with the legislation. The hearings of the Home Affairs Committee and its report, printed in April, before I joined the Committee—I am a new kid on the block—have already had an impact on Government thinking and on legislation in the form of the Terrorism Bill, which had its Second Reading last night. I hope that my right hon. Friend the Minister will comment on that.

I abstained last night because I cannot go along with the view that it is essential for the police to have up to 90 days to hold suspected terrorists before charging them. I shall not rehearse the arguments, as during the Committee stage next week on the Floor of the House, they will all be advanced when the amendments are discussed. However, changes have been made and I appreciate them.

Those changes include a High Court judge rather than a district judge overseeing detention prior to charge. Proposals for the possible closure of mosques appear to have been dropped. They could have caused more problems than they would have solved. When there have been problems with mosques, they have usually arisen because the mosques have been taken over by radical groups not of the neighbourhood. Reinstituting the original mainstream local Muslims might have been more useful than closing the mosques entirely.

Proposals to proscribe the radical Islamist group Hizb ut-Tahrir—sometimes described as a political party, sometimes as a cult—also appear to have been dropped. I welcome that, as its proscription could have created martyrs. Driving it underground would have meant that we could not keep an eye on its activities, and that would have been unfortunate.

I was a little confused about Hizb ut-Tahrir, but last week's *Tribune*, of all things, described it as

"a cult that believes voting is haram"—

I apologise if I pronounced that wrongly; I am trying my best—

"an act of disbelief, and that the return of the khalifah—an Islamic state headed by the caliph, the 'successor' to the prophet Muhammad—is the only answer to every problem faced by Muslims in the modern world. How can voting be an act of disbelief? Those such as members of Hizb ut-Tahrir, who insist that it is, claim it means participating in a democratic system that upholds the will of man over the will of Allah. For them, Islamic government is 'God's rule' and they reject democracy as 'people's rule'."

I must give credit for that piece. It was written by a Muslim called Murad Qureshi. I thank him for explaining why Hizb ut-Tahrir recommends to its members that it is unIslamic to vote. That is extremely unhelpful, especially in towns such as my own where 20 per cent. of the community is Muslim.

To dispel any myth that all young Muslims are members of Hizb ut-Tahrir, I will quote from a document that I received from a young man. He did not

tell me his name or where he lived, so I have been unable to respond to it. He wrote:

"I am afraid in most cases the community leaders"—

he is talking about Muslim communities, of course—

"do not have any influence over the youth due to them having such different points of view. In a town in West Yorkshire (Keighley) the local M.P. has raised the issue of forced arranged marriages. She has been condemned by some of the community elders, but has been applauded by the Muslim youth for standing forward and addressing the issue. So I believe it would be wrong for people to assume that they can communicate with Muslim youths through the community elders."

That has long been my belief and it is, I think, where many Labour-controlled local authorities have gone wrong. They felt that they just needed to pick up the phone, ring a few known leaders and that was their contact with the community. It has been wrong all along and I hope that will start to change. We are now gaining another view of how our Muslim communities operate.

Since we seem to have plenty of time, I will mention a number of things that happened to me in the recess from which I learnt a great deal about Hizb ut-Tahrir, young Muslims and, to some extent, my female constituents who are Muslim, although I already knew a great deal about them.

At the beginning of the recess I was invited to the Leeds BBC studio, where I seem to spend a lot of time. I was doing a down the line interview and phone-in with the BBC Asian Network. When I arrived, a young man was sitting in the waiting area. He made himself known to me and said that he was one of my constituents. He was a very pleasant young man. He told me about the problems that he was having with neighbours dumping rubbish behind his house, and I said that I would help him as his MP. We then went into the studio and the interview started.

The young lady who was the anchorperson in London—I believe that she was Hindu, although I am not sure—and managed the whole discussion asked that young man, who, although a little vague, seemed sympathetic to Hizb ut-Tahrir, whether it was true that in universities they bully women from their religion about their method of dress. He said, "Oh no, we don't bully them. We explain to them what will happen to them in the afterlife if they continue to dress inappropriately." Even I was stuck for words. My jaw dropped and I did not know what to say to him or the anchorperson. That explains the attitudes that are prevalent in some of our universities.

I went to another university—I will not mention its name, as I do not want to damage it. I was told that, during the previous Ramadan, members of Hizb ut-Tahrir went into the canteen and were forthright in condemning young Muslims who were eating there because they should have been fasting. Eventually, the university's security people had to be brought in to move them on. It was explained to the group's members that it was up to each Muslim to determine whether he or she fasted during Ramadan and that it was not up to that clique to tell them how to conduct themselves.

When I went to the university a few weeks ago, I was told that Hizb ut-Tahrir has taken over the Islamic society and was preparing to take over the students union. I am not sure what has happened about the students union, but I hope that it has not been taken over. Such events are really sad, because it is the hundreds of mainstream Muslims at the university—good, intelligent young men and women—who should be the guiding force in our communities. They have the correct ideas, they are enlightened and they are terrific people.

I do not regard members of Hizb ut-Tahrir as fluffy bunnies or as nice, but I am still quite pleased that the organisation was not proscribed. That would have been the wrong the direction to go in, because it would have made them martyrs.

Mr. Clappison: I agree strongly with the hon. Lady. Does she share my concern, on reading the Government's paper on extremism among young Muslims, that "well educated undergraduates" are

"often targeted by extremist recruiters circulating among university-based religious or ethnic societies"?

Does she agree that, if we had known a little more about that and if the paper had been available to us, we could have taken more evidence on the issue in our inquiry?

Mrs. Cryer: I thank the hon. Gentleman for his comments. That would have been useful. I also thank him for his comments about *Searchlight*, which is well balanced and opposes anti-Semitism and anti-Muslim organisations. I pay tribute to it because it did a great deal of work in my constituency during the general election to combat the poison of the British National party. I appreciate the work that is done by *Searchlight* staff, and it has been a pleasure to work with them. Anyone who describes *Searchlight* as in any way anti-Islamic is totally wrong.

3.58 pm

Mr. David Lidington (Aylesbury) (Con): I congratulate the Chairman and all the members of the Select Committee on a first-class and prescient report. I did not come with prepared remarks, but I want to say a few words before the Front-Bench spokesmen make their contributions. I simply want to reflect on what happened in my constituency earlier this year and on some of the lessons that I have started to draw from those events.

I do not pretend for one moment to have a blueprint or any solution to the problems that the debate has explored. I recall the sense of almost physical shock that went around Aylesbury when it was discovered that one of the bombers had been living in the town. Although the initial shock dissipated somewhat when it was discovered that the man had lived there for only a short time and was not from the largest Muslim community in town—the Pakistani community—people were left with many questions and uncertainties.

On a point to which my hon. Friend the Member for Beaconsfield (Mr. Grieve) alluded, over the past few months white constituents have much more frequently raised their sense of mistrust and fear, both in conversation and in formal correspondence. That is not just a fear about known terrorists, but a fear that a large part of, or the entire, British Muslim community is somehow a kind of fifth column that cannot be relied on to stand up for this country. We cannot dismiss those fears, or the fact that events since 9/11 and July will have added to the number of people who feel a sense of disquiet.

[Mr. David Lidington]

I visited a mosque soon after the police raid on Northern road in Aylesbury. The initial response was a forthright condemnation of terrorism, and the second response was a sense of real frustration at the extensive publicity given for many months to a handful of unrepresentative individuals. There was also frustration that some of those people had not been taken to court, or booted out of this country, long before.

I have a few reflections to make on the challenges that we face as a country, starting with the tension between different generations in the Muslim community. I agree strongly with the right hon. Member for Southampton, Itchen (Mr. Denham) and the hon. Member for Keighley (Mrs. Cryer) that it is not enough for any of us—whether constituency Members of Parliament or Ministers—to talk only to the elders of the Muslim community, although clearly it remains important that that is done.

There are real issues about tensions between generations in that community, and I subdivide them into two distinct problems. One is that in the largest Muslim communities—the Pakistani and Bengali communities—we find relatively low standards of educational attainment, participation in higher education and work-related skills, just as we do for poor whites and Afro-Caribbeans in Britain. Those are not new issues. Also, in every such ethnic or religious group, the boys seem to do worse than the girls. Those problems can certainly lead to disaffection. In some cases, they can lead to young people being tempted into crime, because they can afford a better standard of living that way than by carrying out an unskilled but legitimate job.

I have had meetings with senior members of the Muslim community in my constituency where they have said to me, "The trouble is that white society is corrupting our young men, with crime, drugs and a focus on sexual gratification which we reject." In a sense, that social problem—we are aware that it applies to a number of different communities—is perhaps more susceptible to the intervention of policy makers than the second subdivision. That relates to those from the Muslim community who are well educated, but who, as the Chairman of the Committee said, find their sense of identity neither with the United Kingdom and British traditions and institutions, nor any more with their parents' way of life; they sometimes reject their parents as insufficiently Islamic. Instead, they find their identity in the community of world Islam, or in an extreme interpretation of that community. Through satellite and cable television, they can obtain access to media that provide an Islamocentric or Arabocentric view of the world that is absent from mainstream television news coverage. Fellow citizens of ours learn about countries such as Kashmir, Palestine and Chechnya in a different way from those who rely on BBC news, Sky or other mainstream media outlets.

We cannot communicate with the elders alone. We all have to find ways of communicating with all members of the community. With regard to those who are well-educated, it is, as my hon. Friend the Member for New Forest, East (Dr. Lewis) said, a matter of somehow trying to make our political institutions accessible and attractive to aspiring young men and women. We need them to want to change the world by participating in British politics rather than seeking to reject not only particular policies but an entire method of doing business.

One point that I wanted to make was touched upon in the report but has not been mentioned this afternoon. It is about what goes on in our prisons. For perhaps a decade, there has been a growing number of Muslim prisoners in prisons and young offenders institutions. I believe that the Prison Service needs to give close attention to the religious and citizenship education of those people. The chaplaincy service is crucial. I have seen reports that the Aylesbury young offenders institution—the Minister will know that it is one of only two high-security institutions in England—had some real problems a few years ago with a man who, as well as providing religious instruction was providing access to some extremist texts. I am glad to say that that is in the past; indeed, the governor has praised the local imam for his constructive and energetic work in the prison chaplaincy team.

Mr. Denham: I shall highlight a couple of references to prisoners in the report to reinforce what the hon. Gentleman is saying. We were struck by how forcible France and the Netherlands were in saying that prisons are a major source for radical recruitment. It can be a strong link. Young people who have gone off the rails and into drugs and crime would, seemingly in a positive way, get their lives sorted out through contact with faith, but have it later perverted into a form of extremism. Despite the fact that Richard Reid, the shoe bomber, seems to have followed that route, it did not seem to be a major problem for us, but France and the Netherlands put their case very strongly. The hon. Gentleman is right to raise the issue.

Mr. Lidington: I am grateful to the right hon. Gentleman. I know that the Government are discussing the training of imams and the conditions under which imams from overseas should be admitted into the country. I offer the Minister a historical precedent. In the 1820s, Sir Robert Peel defied Conservative party opinion by giving a grant to the Roman Catholic college for the training of priests at Maynooth in Ireland. Peel saw that the main religion of the island of Ireland was, and would remain, Roman Catholicism, and he much preferred to acknowledge that fact and to have some, albeit indirect, influence over the education and training of Roman Catholic priests through support for Maynooth, than simply to leave that training and education to happen in some way that he might not know about or approve of.

The right hon. Gentleman the Chairman of the Select Committee described the real challenge in his earlier contribution: the cultural, and in large cities the physical, separation of different communities. I am fortunate in that the population of the town that I represent is not yet large enough to permit the physical or educational segregation of entire racial or religious groups. However, I know from studies I have done of other parts of the country that that does happen in cities in parts of northern England, for instance.

I do not pretend for a moment that this challenge can be overcome quickly or easily. I do not believe that bussing school pupils around in an attempt to

enforce racial or religious balance would promote harmony between people from different communities. The opposite would probably be achieved.

Mrs. Cryer: I wonder whether the hon. Gentleman has any suggestions as to how we can get over segregation in schools in towns such as Keighley. In the area I represent, there are three schools where 95 per cent. of pupils are Asian Muslims. How do we overcome that?

Mr. Lidington: I think there are two ways to do that. One way is to do painstaking and time-consuming local work to build relationships of trust between organisations and individuals from different communities. The other is to enable people from the minority communities to have the confidence, particularly in respect of language, where that is a problem, to take advantage of the opportunities that life in this country offers. When they are able to do that, there will also be fewer reasons for people from the majority white community to think that they must move their children out of an area because they do not want them to mix with children from another group whom they feel are very different. Sometimes white families feel that because English is not always the home language of some children, they will absorb disproportionate amounts of time and resources at school. That is what produces the phenomenon of white flight—of white parents saying they want to move their kids out. Some of those families might have unattractive motives but others have a genuine fear that their children might be held back because too much of a teacher's time will be absorbed in trying to help children who have trouble with the basics of the English language to start with.

This problem is not susceptible to a quick answer. It requires a great deal of work by policy makers at all levels.

Mrs. Cryer: What the hon. Gentleman perhaps does not understand, whereas I do, is that many Muslim families who speak English in the home do not want their children to go to Muslim schools.

Mr. Lidington: The hon. Lady obviously knows her area in a way that I do not. The answer to the dilemma that she poses will be in liberating parents either to find places at the schools to which they wish to send their children or to take the initiative to commission a new type of school that will provide the education that they seek. I understood that that lay behind much of the policy announced by the Government in yesterday's White Paper. We shall have to see whether it is delivered.

The hon. Lady performed a service to the country by the way in which she highlighted the importance of language and the importance of the role of women from the Muslim communities. Such issues are desperately sensitive. There is a real problem when children are held back. It is the last thing that the parents intend, but children might be held back because one parent has come from the subcontinent. The mother may go straight into a tradition of purdah. The language at home may not be English. In those circumstances, cultural isolation will be reinforced in a new generation. There might be tension between the pressure that the children come up against at school from their peer group and the mores that they are expected to adopt at home.

As politicians, we should not be in the business of telling people how they should organise their marriages and private lives, but the Government must deal with certain issues, such as whether some proficiency in the English language should be required at the point of entry clearance rather than only at the point of naturalisation for citizenship.

I shall not labour the point about foreign policy, but it is completely reasonable for a Minister from any party to say that the Government hear what foreign policy a particular group in Britain wants, but judge that, in the wider national interest, they will pursue action that the particular group does not wish them to take. To deny that foreign policy has had any impact on community relations in this country is to fly in the face of reality. The arguments that have been repeatedly put to me by my Muslim community have been twofold: first, that it was not being listened to and that the political system seemed unresponsive and, secondly, that a double standard was operating in western Europe and north America, that it was one law for Iraq and a different law for Kashmir or Chechnya.

Without going into the merits or demerits of the arguments, there were deeply felt views within the Muslim community in my constituency, especially among the younger generation. It is for the Government of any party to find a way to engage in dialogue so that people know that what they say, how they vote and how they use the political system can make a difference. We have to accept collectively that issues such as Kashmir matter greatly to a large number of British people. We must alter our way of thinking and our notion of the British view of the world to take account of the fact that, for many British citizens now, what happens in the areas from where their families originally came will be important to how they frame their political judgments and how seriously they feel part of our mainstream society.

Like almost everyone else who has spoken in the debate, I am conscious that I have been liberal with the gloom. However, I want to finish on a positive note. I remain an optimist about community relations in this country. I would sum my reasons for that approach in two ways.

First, I look at history. I remember many years ago having reason to read the minutes of a Privy Council for the 1560s. I found reports coming into the Ministers of Elizabeth I of riots that were taking place in Essex because of the presence of communities of Dutch weavers. They had moved in as a result of Spanish rule in the Netherlands. There were the protests with which we are familiar today—the incomers were taking jobs, they were not speaking the language, and they were different. We have a record of being able to overcome such differences through time and through hard work. It is a mistake to think that there never were difficulties in the past.

Secondly, and most importantly, I am an optimist because of what I saw in Aylesbury this year. There was a feeling of shock, but I remember vividly standing in the marketplace the day after the police action in the town. I was there for the midday ceremony, which was mirrored nationwide, to commemorate the victims of the London tube bombings. We stood there and heard the local imam denounce al-Qaeda and terrorism in vehement and moving language. As I looked around,

[Mr. Lidington]

I saw a true cross-section of British society. I saw the local chief of police, a lot of local councillors from all parties, a large number of young men from the local mosque, the office holders of a local branch of the Royal British Legion and 200 or 300 others. That gave me hope and confidence for the future.

I believe that the challenges that the report has highlighted are grave, important and difficult, but with both political will and good will they can be overcome.

4.22 pm

Greg Mulholland (Leeds, North-West) (LD): I congratulate the right hon. Member for Southampton, Itchen (Mr. Denham), the Chairman of the Select Committee on Home Affairs, on securing this important debate. I agree with the hon. Member for Keighley (Mrs. Cryer) about the quality of today's contributions. The quality of the main debate yesterday in the House about the Terrorism Bill was similar, and it was carried out in an appropriate tone.

This debate could not be any more timely. The report may well have been published before 7 July and 12 July, the date on which we came to the realisation of the significance of the events of 7 July. We would all agree that the recommendations are even more pertinent in the current environment.

I spoke yesterday in the main debate in the House, so I will not reiterate the points I made. I echo the hon. Member for Aylesbury (Mr. Lidington); I am pleased to speak both on behalf of my party and because of my personal experience from my constituency where a community is still dealing with the fact that the London bombs were made there by local lads. That is something we will take a long time to come to terms with.

Less in response to the Committee's recommendations, but inevitably and rightly, the Government are seeking to engage with multi-faith and, specifically, Muslim communities in places such as Leeds, Keighley and Aylesbury. I take this opportunity to thank the Minister for her kind invitation to attend the meeting in Leeds. Alas, after the events of the summer, I was only at that time finally able to take a family holiday, or I would certainly have attended what I believe was a successful occasion.

Despite that positive work, the Government have not made the link, which is obvious to me and my party, between terrorism in the community and the raft of Home Office legislation that they are publishing. If ever there were a time for joined-up thinking, it is surely now, and I hope that this important debate will contribute to the process. As I said yesterday, there is a real need for the Government to acknowledge and accept that there is real fear and mistrust in communities such as those in Hyde Park and Beeston in Leeds. It is precisely those feelings that will make it more difficult for us all to move forward to a situation in which we feel that events such as those of 7 July are less likely.

We must tackle all the issues involved; we cannot separate them. Many, including stop-and-search, are mentioned in the report, which was published before 7 July. However, other issues are regularly raised with me, such as the power to close mosques and the threat of deportation to countries that still practise torture, whatever guarantees might be given. There is also a real feeling that there is a threat to free speech and valid debate about Palestine, Chechnya and, of course, Iraq.

Given my experience in local communities, I cannot mention Iraq without saying that the Government must acknowledge the truth about the damage that the Iraqi conflict has done in such communities. Can we all at least admit the simple reality that the disastrous conflict in Iraq has made it more likely that citizens from our own Muslim community will turn to terrorism?

Mr. Winnick: I apologise for missing the beginning of the hon. Gentleman's speech, but I hope that he is not saying that the Government's policy on Iraq—we can agree or disagree about it, and I disagree with him about it—offers any possible justification. If that were the case, what about the Serbs and those of Serbian origin living in this country who very much opposed the action taken to stop the ethnic cleansing of Muslims in Kosovo? I hope that the hon. Gentleman supported that action. Would it be a justification for those of Serbian origin living in Britain to engage in terrorism?

Greg Mulholland: The hon. Gentleman has just highlighted the problem. Does the fact that no one could possibly justify what has happened mean that we cannot talk about it? That is a dangerous route for us to be going down, and we must stop doing so and acknowledge the simple truth, regardless of the right or wrong of going into Iraq or any of the conflict.

There is also the terrorist legislation, which we cannot but mention in the debate. Specifically, as I made clear yesterday, there are the plans to extend detention without trial to 90 days which are causing particular concern in some communities. We must be honest and ask what message the Government think those measures send in terms of the helpful dialogue that they are attempting to have.

I want to pick up a point made by the right hon. Member for Southampton, Itchen about the message that we send out and to talk briefly about the influence of the media, based on my own experience. Following the situation that emerged in Leeds in the summer, and having been an MP for less than three months, I had to deal with the international and national media. From that experience, I can say that the international media in particular, including one United States television station that I shall not name, had decided why people from Leeds had bombed their own capital city, and tried to force that agenda on those of us who were trying to give a realistic picture of life in our communities. I am afraid that some national British newspapers were little better in their coverage. I mentioned yesterday that several people who lived at the property in Alexandra grove were tried and convicted by the media, including the Egyptian Dr. al-Nashar, who was too afraid to return to his job at Leeds university.

In this House, we all believe strongly in the right to free speech, so unfortunately there is little we can do to stop the media exercising theirs. However, all of us have to acknowledge our responsibility to try to counter such negative messages, to resist the temptation to be macho to suit the agenda of some of the national media and to realise that this issue is very sensitive. I am glad that the Government have moved on some of the language that they have been using, and I hope that that continues.

I reiterate the fundamental point that I made yesterday and several times previously. The solutions to what happened on 7 July do not lie fundamentally in rafts of legislation—even good legislation that we would all support. The solutions come largely from the communities. I shall give some examples of the positive things that have happened since the appalling revelations of 12 July. Local leadership was mentioned as important in the Select Committee report, and such leadership has been fundamental in Leeds since 7 and 12 July. I praise the local faith leaders, the inter-faith groups, the local representatives of all parties and Leeds city council for the firm and powerful leadership that they have shown in dealing with a very difficult situation. I hope that that has shown people nationally and internationally the true face of the great city of Leeds, which makes me very proud.

Several speakers have picked up on the importance of schools, and there is no doubt that they are fundamental. We must look at how children are educated. To give a positive example, I should say that I am the governor of Brudenell primary school, which is about a mile from the so-called bomb factory. On 12 July, when I was called back to Leeds, I was at the police cordon. A young girl, at that time in year 6, came up to me. She knew who I was, as I was a councillor before becoming an MP in May. She told me a little about what had been happening. She said, "People are calling me and my friends terrorists". As part of my responsibility not only as an MP but a governor, I phoned the school to ask what it was doing to help the children through this. I am delighted to say that the excellent head teacher of the school said, "Don't worry; we have already done it". There had already been a plenary session in the hall to talk to the children about what had happened and why. I am sure that there are other examples in different constituencies; schools are vital in that regard.

As someone who is known to represent what is in part a multicultural area, I very much want to participate in the wider debate. There has been much discussion about multiculturalism as a concept and many commentators have said that it is dead in this country. I must say that a lot of debate on the subject so far has been very sterile. There is just one question that we should be asking: how do we make our diverse, multi-faith and, yes, multicultural communities work in 21st-century Britain?

To pick up on something mentioned in both the report and our debate, we have to look at the whole issue of British identity today. I had a public disagreement in a newspaper with the Minister on this issue, but although I disagreed with her conclusion, I absolutely agreed with her sentiment and her attempt to raise the issue, because it is an important one that we must debate and try to work through.

I have only one point of strong disagreement with anyone who has spoken today, and that is that I utterly reject the concept that a spouse who marries in a legitimate way should be forced to take any kind of test to find out whether they can speak English. The ramifications would be worrying. It would mean that a person could not meet someone in south America, fall in love quite genuinely and want their spouse to move over here and learn English. We have to be careful about going down that route.

Dr. Julian Lewis: I agree with the hon. Gentleman, but does he agree that it is absolutely essential that when people come to this country without a good command of English, they should recognise that they will be at a disadvantage? Does he agree that people in that situation should not be pandered to in schools by having their children taught in the language of the country from which they have come, rather than that of the country that they have come to? My grandparents were at a disadvantage all their lives because of their, at best, moderate command of English, but their children and grandchildren were not, because schools taught them English, not the language of the country that my grandparents had chosen to leave.

Greg Mulholland: I absolutely agree. That is a strong, well made point, which echoes what has been said by several speakers, particularly the hon. Members for Keighley and for Aylesbury, who touched on genuine cultural difficulties. It is vital that all of us engage with and accept those cultural difficulties, often in the face of real barriers to acceptance of those difficulties in the communities.

We must take on board the Committee's report and, more importantly, address the causes of riots, of ghettoisation in some northern towns and cities, and of the appalling events of 7 July, which was when we all realised how serious some of the problems are. I want to reiterate a point first made by my hon. Friend the Member for Brent, East (Sarah Teather): she said that we would not be talking about the issue if we were not absolutely clear that it was not Muslims who attacked London on 7 July but criminals and fanatics who happened to be from a small, fundamental fanatical minority of Muslims in West Yorkshire. One thing that has been inspiring to all of us—all the way up to Government, I hope—is the absolute and outright condemnation of the terrorist acts from all communities that were in any way associated with the events of 7 July.

Equally, we have to ask the question that we have had to ask ourselves in Leeds, Dewsbury and Aylesbury, which is why four young men from West Yorkshire went to bomb their own capital city. The Muslim community has to ask because the men were Muslims; people from Yorkshire, including me, because they were from Yorkshire; and all of us, as British citizens because they were also British citizens. The Minister is committed to the process of listening and understanding, so I would ask her to continue to do that and more.

I strongly commend the hon. Member for Keighley for having said that we must reach out to the young and disaffected sections of communities, because they are the ones most likely to be tempted down the path of fanaticism and disillusionment. We must also—again, I pay tribute to the hon. Lady's work—connect with the women of Muslim communities. I share her belief that it is largely through the women that we will find solutions to the problems. I was delighted that she fought off the British National party threat so convincingly in the election. I was not threatened then by the BNP, but I must be doing something right now because after only a few months I am listed on its website as an enemy of the BNP.

Dr. Lewis: Congratulations.

Greg Mulholland: Thank you.

[Greg Mulholland]

We must ask questions, but some of the answers might be difficult to accept. Nevertheless, we must listen, and there will be economic, religious and political aspects to the answers that will be unpalatable. We need to break through and work with all sections of our ethnic minority communities, especially with the Muslim communities in our northern cities.

One point that I should like to make strongly is that I realise, as we all do, that we cannot engage with those who have already taken the path of fanaticism. We cannot deal with people who have chosen the kind of thought process that was outlined by the hon. Member for Keighley, as we dealt with the IRA in the past. Therefore, we need to engage those who are vulnerable to the message before that message gets to them—that is the challenge for all of us. There must be more dialogue. There must be listening, as the Committee has said. I am sure that we would all agree.

The terrorist attack on 7 July came from one of our multicultural communities. It is to those communities that we must go to prevent it from happening again. It has been described many times as an attack on our way of life, and we would all agree that it was. Now we must ask ourselves, what is our way of life in 21st-century Britain and what do we want it to be?

4.44 pm

Mr. Dominic Grieve (Beaconsfield) (Con): It has been a pleasure to listen to the debate, and I thank the right hon. Member for Southampton, Itchen (Mr. Denham) and his Select Committee for their report, which I found extremely interesting. The debate has also been interesting. This forum, which perhaps offers us an opportunity to discuss such matters in a slightly more leisurely and relaxed way than we could in the main Chamber, is especially valuable.

I hope that I may be forgiven if I do not run through the individual contributions, as perhaps it is customary to do. I valued the contributions on anti-Semitism made by my hon. Friends the Members for Hertsmere (Mr. Clappison) and for New Forest, East (Dr. Lewis). It is a subject that has concerned me considerably and I have participated in other debates about it. We have to acknowledge that, whatever its origins in Britain, it went very quiet until it was resurrected on the back of the hostilities in the middle east. That is one of the issues that we may have to consider at greater length another time.

I am also grateful to my hon. Friend the Member for Aylesbury (Mr. Lidington). He is a rare thing among Conservatives in that he has a substantial Muslim population in his constituency—to that extent, our party is at a disadvantage, which we must address. One or two other colleagues have such constituencies, but he was able to bring his expertise to bear based on the fact that he has to manage community relations on an active basis.

I am conscious that, although I have a growing Asian community in my constituency, including Muslims, I do not have the distinctive communities that have been discussed in this debate. My experience comes from the fact that, some three years ago, I was asked to do community cohesion for the party, as well as to undertake my other responsibilities as a Front Bencher. As that has involved trying to ensure that my party is open to participation by members of all black and ethnic minority communities, it has involved me in a great deal of travel up and down the country and a considerable amount of exposure to diverse communities. It has been a rewarding process. My comments on the report stem from that, and in so far as I may have derived misleading impressions from what I have seen I will stand to be corrected.

One of the things that I was struck by is that the report starts on the basis of the Cantle report, which is a proper place to begin. The Cantle report highlighted what may seem to be a statement of the obvious: despite years of multicultural endeavour by Government, with money being poured into areas, initiatives, statements and legislation, the process by which communities of different cultural and religious backgrounds are progressing together appears to be full of negative impacts and, in effect, we are becoming a segregated society. That was my impression in some of the areas that I visited.

Notwithstanding the ritualistic efforts made at governmental and local government levels to address the problem, in many cases, that does not seem to permeate lower than those levels. The neighbourliness that underpins any society, multicultural or otherwise, is not present.

If people are not communicating with their neighbour because they come from a different religious and cultural background, the essential building block of society is not present. My experience is that that is a prevalent phenomenon. Indeed, one of the first signs of an improvement is when one finds oneself talking to someone who, having made a number of critical comments about another ethnic or faith community, excludes the person living next door because they have had some form of human contact with them.

Unfortunately, that does not seem to be happening sufficiently frequently in Britain today. I picked up on one of the consequences of that when I attended a Muslim students' conference in the midlands some time ago, when I sat on a platform in a room in which there was segregation between men and women, which did not surprise me. During the discussions, I picked up on their astonishing anger, alienation and distorted perceptions about the world in which they live.

After the events of July, when the Minister of State started on her extremely worthy perambulation throughout the country to meet Muslim communities, I was recorded as having expressed criticism about whether that would be effective, a view that has been echoed during the debate, because of the nature of the people whom she was likely to meet. I said that, because of the phenomenon of anger, alienation and distorted perceptions, I found it explicable that suicide bombers should emerge from such a community.

The reaction was interesting. I thought that I might be criticised greatly by Muslims for making a comment that seemed critical of their community. I received no such response. The reaction came from the other end of the spectrum on the basis that what I said in some way justified suicide bombing. To me, that encapsulated some of the difficulties that we experience when trying to

have rational discussions about the problem. The hon. Member for Leeds, North-West (Greg Mulholland) commented on that earlier.

The Select Committee report rightly highlighted the question of whether terrorism has had a negative effect on community relations. Unfortunately, it is overwhelmingly obvious that it has. That is not because it has made Muslims more alienated from British society. Indeed, many Muslims have made a great effort to bridge the gap. One issue that worries me in particular is that the voice of the rest of the community is not necessarily being heard in its attitude of hostility and dismay at the presence of a community in Britain with which it cannot interact.

I am referring to a great challenge. Because such matters are not politically correct, they are not spoken about openly. That brings me back to the fact that political correctness might be making it more difficult for us to deal with the problem. I do not whether it is because Conservative MPs are regarded as being less politically correct, but my mailbag and the responses that I receive from people in my constituency suggest that the Muslim community in Britain now has a considerable problem with its image in the wider community. We must deal with that. It is unjustified because the number of people who are likely to be suicide bombers is infinitesimal and such people would be denounced within the Muslim community.

One of the reasons that the problem is so acute—in a sense, it is a circular argument—is that the lack of contact between Muslims and the rest of society is so great that these issues are fertile territory for the problems to be exacerbated once terrorism begins. We must break that vicious circle.

Since the events of July, the Government have been making real efforts to tackle the problem. I hope that the Minister took my criticism in good heart when I expressed concern that they were looking too much at Muslim leaders and community leaders, and not enough at some of the underlying issues. I am conscious that she has gone to considerable efforts to get to know other communities and the young, in particular, with whom so many of the problems lie. The other problem is that some of the actions of the Government—I am going back over an historical process—are not making matters better. The Government seem to have adopted a twin-track approach. First, they clamped down on security. That resulted in the Terrorism Bill, about which I have serious reservations. Secondly, they tried to reassure the Muslim community that Islamophobia would be tackled and that Muslims would be provided with protection. That has resulted in the Racial and Religious Hatred Bill. I am not sure that we are going in the right direction.

Far from the Racial and Religious Hatred Bill quietening discourse, to the wider community, it seems rapidly to be turning into a talismanic totem for a small minority. The statistics clearly show that, even among the ethnic minorities in Britain, Muslims remain a small group, yet they seem somehow to be driving an agenda of change that others resent.

I never know when I read *The Daily Telegraph* whether I am reading fantasy or fact. None the less, one often reads of local authorities that appear, for instance, to have been coerced into removing piggybanks from their offices because of a Muslim objection—not, I suspect, an objection approved by the religious authority. Professor Sir Zaki Badawi would have laughed his head off when he heard about it, yet at the official level we appear to be dancing to those tunes. That is not helpful. Far from contributing to the building of good relations, it seems to be digging the ditch of incomprehension deeper and deeper.

Dr. Julian Lewis: One of the most striking examples was of a prison officer being suspended from duty and disciplined because, when hurling some keys down a chute, he called down, "Pity there isn't a picture of Osama bin Laden at the bottom." That was deemed to be offensive to Muslim prisoners. I would expect most Muslim prisoners to be affronted by the suggestion that they would be offended by such a derogatory comment. That case went the full distance. It was eventually settled by the Home Office.

Mr. Grieve: I know of a number of examples, but it is difficult to comment on individual instances, particularly those that have taken place in prisons. I am more worried about examples that seem to verge on the barmy—for instance, banning hot cross buns in schools in east London, although Iqbal Sacranie openly said that there was no basis for the ban. However, such things happen. That is unfortunate, because it conveys the impression that there is a constant urge to provide privileges to one group, rather than trying to address the issue of how they are to be brought into the mainstream.

Mr. Denham: The Select Committee addressed that very point. I hoped that the hon. Gentleman would support our conclusions. We did not take the view that the legislation should not be progressed because it might be controversial. We were concerned that an appreciation of the limits of the proposed legislation was not shared by the Muslim community as a whole. We said that it was important not to raise unrealisable expectations. We called on the Government to make a big effort to ensure that the exact nature of the Bill was understood. We went on to say:

> "We suspect that the extent of the legislation, and how often it is likely to be used, may also be misunderstood by some who oppose it."

That is an accurate reflection of the current situation. The Committee did not take the view that the legislation should not go ahead. We said that we needed to ensure a good understanding of it.

Mr. Grieve: I read that passage and I heartily agree with the right hon. Gentleman that it is possible to be misled at both ends about the scope of the legislation. I have objections to the legislation on narrow legal grounds: it will not be helpful and it will not make good law. However, I accept that some people are exaggerating its probable impact, and that others are exaggerating the benefits that might flow from it. It is worrying that, even with the second introduction of the Bill, misconceptions about what it might, or ought to, achieve are still quite widespread, certainly within the Muslim community.

[Mr. Grieve]

Another point that emerged in our debate, and which I hope flows from the comments I have made, is to do with national identity and building common values. I heartily agree with what has been said on that. Unless we as a society can build common values, celebrate them and explain what those values are all about, it will be difficult for us to make progress. One of the problems is that we have been poor at explaining what our values are.

I recently addressed a meeting largely consisting of Muslims, and I was struck when, on the subject of religion—I should perhaps explain that I am a warden in an Anglican church—an articulate and very pleasant woman in the audience who was wearing the hijab explained that it was difficult to be a Muslim in western society because of the constraints of her religion that were upon her. The report perhaps does not fully acknowledge that point. She said that the disciplines her faith impose on the individual make it difficult for Muslims to adapt to some aspects of the western society and culture in which they live, and therefore—this follows logically—make it more difficult for them to interact with others.

I was slightly amused because she used an expression that one often hears, "Islam is a way of life," and I responded by pointing out, "Well, actually you know, Christianity is a way of life as well." She was rather amazed by that. I tried to go on to explain that the underpinning of our society, and what has made Britain so attractive, is the willingness of people to make compromises in respect of tolerating others and interacting with them even though we may disagree with their views, and, indeed, their moral and spiritual outlook.

Until we get it across that that is one of the fundamental values on which our country is based, we will have great difficulty in bringing about the community cohesion that we all desire, because we will continue to have people considering that they live in a valueless society. The point has been made in the report and this debate that it is the belief in the valuelessness of the society in which they live that is driving some young Muslims into extremism.

There is a nihilistic element to that extremism. A celebration of death is a common phenomenon among the young. We tend to brush it under the carpet in western society, but it is not particularly unusual. The fact that many young Muslims see their elders as sharing some of their—*[Interruption.]* It sounds like someone is making a cappuccino. As I was saying, some of the problems are intergenerational. There seems to be a perception among many young Muslims that their parents have no answers to these problems. One of the things we hear is that politics is kept out of the mosque, when they want to discuss important social issues within a religious framework. I have some sympathy with that point of view.

I have come to the conclusion in respect of many Muslim girls who decide to wear the hijab, or even to go further and wear the veil that in some instances that is a form of rebellion against their parents. Some of them also believe that, because they practise Islam in a purer way than the older generation, that justifies them breaking loose and getting professional careers. That is interesting and heartening, and perhaps it should alter our view about why people embrace certain religious symbols. Despite that sign of hope, there is a real problem, but how do we address it?

Like my hon. Friend the Member for Aylesbury, I do not want to end on a low note. I remain greatly optimistic about the future of this country, but think that we need to bear two things in mind. First, if we are to overcome what Cantle identified so correctly, it can only be done at the most local level. The idea that the rituals in which we engage as politicians, which may be important in providing a setting, can solve the problem is wrong. Only if we facilitate the interaction of people on a neighbourhood level will we start to break down prejudice and moderate and alter people's behaviour. If one's neighbour, whom one respects, says that something that one does makes the relationship difficult, one is more likely to do something about it than if nobody speaks about it although the subject is taboo, or than if someone proclaims from on high that something should not happen. We are moderated much more by those around us than by any official diktat the state can provide.

Secondly, we must consider our values. Western democracy must have clear values if it is to survive, so it shocks me that we have, for a long time, failed to articulate what they are. We need to do so urgently. I fervently believe that if we do, there will be a response. In my experience, individuals who are confident about their identity find it easier to live, to work and to co-operate with individuals with other identities. The danger in Britain is that we have, in some ways, so debased the values that underpin British society that we find it difficult to understand the values of Muslims who come here, and we fail to offer a vision of the future of British society that has the necessary appeal to persuade them to bridge the gap to us, or us to bridge the gap to them.

5.7 pm

The Minister for Policing, Security and Community Safety (Hazel Blears): Considering that it is the Thursday afternoon of a busy week, I have enjoyed the opportunity to listen to Members from all parties, particularly in light of yesterday's debate on Second Reading of the Terrorism Bill. Today's debate has given us the opportunity to explore in more detail, as the hon. Member for Beaconsfield (Mr. Grieve) said, some of the underlying issues that are part of the overarching strategy that will, we hope, enable us to deal with these problems. I shall take some of the points raised away but shall do my best to respond to them today.

My right hon. Friend the Member for Southampton, Itchen (Mr. Denham) does an excellent job of chairing the Home Affairs Committee; we are often on the receiving end of a fairly intensive grilling, which is exactly as it should be. The Committee is absolutely on the ball and goes to the heart of issues that really concern us. I can genuinely say that both my right hon. Friend the Home Secretary and I find it useful to have our thinking and policy making tested and challenged in that way.

The Committee deserves credit for raising these issues before the events of 7 and 21 July. It was ahead of the Government on that. I shall go through all the things that we were doing, but hon. Members will realise that since 7 July and the Committee's sittings on this issues, there has been a renewed focus and extra energy. We have begun to see connections between work on community cohesion and on engaging Muslim communities that were not as prominent as they might have been before those events.

Everyone acknowledges that the events of 7 and 21 July were horrendous, but something quite encouraging came out of them. Hon. Members have told us about what happened in their constituencies. The hon. Member for Aylesbury (Mr. Lidington) talked about the services that took place and the way in which there was a coming together of people from all faith backgrounds and those of no faith. There was a sense of solidarity that they were united, not just in condemning the atrocities but in saying, "How do we go forward? How do we work together? How do we deepen and strengthen our relationships in this country in terms of the values that unite us?" If we can build on that solidarity, we will make a big difference.

We face these issues across the world, not just in this country, but internationally. My right hon. Friend the Member for Southampton, Itchen talked about the meetings of the Committee in France and the Netherlands. There is to be a European seminar at the beginning of December on radicalisation and prevention. All Governments are hugely exercised by those issues.

One big strand of our work on the counter-terrorism strategy is prevention. To prevent terrorism, we need to follow the path of individuals, to see at which points in their lives they are particularly vulnerable to the teaching and powers of extremists and to work out how we can increase the protective factors around people's experience so that they are less likely to be drawn into that kind of activity. Much intensive research and practical work is going on. Some points are to do with further education and some with the prison system. We need to work out how we can intervene, to ensure that the situation does not continue and how we can reverse it.

Obviously, we have the Terrorism Bill, but today's debate is about wider issues. I assure the Chamber that the legislative measures that we are introducing are not aimed at any community, let alone the Muslim community; they are aimed at terrorists. We must be clear about that. The Bill's measures will be controversial and there will be debates in Committee over the coming weeks, but they are genuinely aimed at trying to prevent terrorism.

That is the right approach, because people want us to have sufficient powers to tackle terrorism, but people also reject crude stereotyping and discrimination. Aiming our powers at a particular community would not be supported by the people of this country. We well understand that combating terrorism and having good community relations are intrinsically linked. Much of the work we need to do in gathering intelligence and information from local communities depends on having open channels of communication so that people feel secure and confident enough to come forward to give us information.

The hon. Member for New Forest, East (Dr. Lewis) talked about how important it was for the security services to have communities involved, so that they can reach out and be more effective in their work. He will know that we are in the process of doubling the number of people in our security services, and our ensuring that we reach out to a range of communities in that recruitment process will be incredibly important.

We recently brought in a statutory duty for police authorities to examine the diversity of forces, to ensure that they are properly representative of the communities that they serve. Sir Ian Blair of the Metropolitan police has specifically said that he wants to recruit more Muslim men and women into our police service, so that we will have a much better and closer relationship with those communities. We are making progress, but it is not fast enough. We need to do more in terms of positively recruiting people into the service.

We also have to ensure that we tackle the genuine feelings of many in communities about inequality and poverty. I do not for one moment think that that is a justification or an explanation for people getting involved in extremism and terrorism. However, feelings of inequality and alienation can sometimes provide the breeding ground and the basis for the extremist message to get through. We have to be conscious of tackling those issues.

I will now discuss the matters that hon. Members have raised. First, I will deal head on with the failure of the Home Office to provide the Cabinet Office paper on "Young Muslims and Extremism". Clearly, it was prepared some time ago—I think it was two years old—and I am sorry that members of the Committee did not have access to the full range of papers. There was no intention to hide the work that was going on. Perhaps there was feeling that it was more about the path of the individual and radicalisation, and not necessarily about community relations. With hindsight, we can see all too clearly that the path of the individual is connected to the effect on the wider community.

Mr. Grieve: I am particularly grateful to the Minister for that acknowledgement. I realise that the issue is difficult for the Government. Sometimes Governments prepare documents that they much prefer to read themselves and not put in the public domain. However, I hope that the Minister will take on board the comments made, particularly those of the right hon. Member for Southampton, Itchen (Mr. Denham). The truth is that the more open our discussion, which should include some of the unpalatable facts, the better will be the quality of the debate and decision making that follow from it.

Hazel Blears: I shall come to openness and transparency shortly, and I hope that my right hon. Friend the Member for Southampton, Itchen accepts my comments about the Cabinet Office paper.

[Hazel Blears]

On my right hon. Friend's request for details about the commission on integration, I am informed that we do not have a record of an inquiry having been made. However, I certainly undertake to give him more details and papers. I have no intention of that being done at the Home Office without the Committee having access and am entirely happy to provide those papers. My right hon. Friend talked about the commission, and I shall give further details. The Home Secretary has said that we will set up that commission, and we are working on its terms of reference, ideas for which we have sent out to the community for consultation because we want to make sure that it looks at the correct things.

The ideas for the initial terms of reference are how to engender an increased sense of Britishness that is inclusive of all communities, how to push further to tackle the inequalities that can trap people into segregated lives, how to create a shared sense of cultural norms and behaviour, particularly in relation to different faiths and cultural identities, and how to encourage and incentivise communities that choose to live segregated lives to engage more broadly. That very point was raised by my hon. Friend the Member for Keighley (Mrs. Cryer).

What incentives and encouragements can we put into the system to change things in a realistic and practical way that will make a difference on the ground? The important thing is that the commission will look across all faiths and none, rather than simply at the Muslim community. It will be helpful to have the engagement of Hindus and Sikhs and the Christian Churches. The meetings held by the Home Secretary on the issues have engaged all faiths, and I have had a real sense of people learning from each other. Some religions have gone through some of the same difficulties and come out with helpful compromises and positions. There is a keenness among the faiths to share those ideas and the journeys that they have made together.

I hope that the commission will echo the meetings that the Under-Secretary of State for the Home Department, my hon. Friend the Member for Wythenshawe and Sale, East (Paul Goggins) and I held with communities during the summer. I hope that the commission will go out to where people are and not expect people to come to London to give evidence. It is important to reach those people who do not traditionally get a say; we shall get the commission to engage particularly with young people and women and meet people who are active in all parts of the country—the north-west, the north-east, Yorkshire and the midlands—rather than be London-centric, which is sometimes inevitable, given how government works. Perhaps because I am from the north, I am determined that the commission should reach all parts of the country. We hope that the first meeting will be in December. It will be time-limited and will probably report back next summer. We shall then have practical issues on which to go forward.

My right hon. Friend the Member for Southampton, Itchen also asked about stop-and-search powers and whether there was confusion in the community. I was grateful for the Committee's conclusion that the section 44 powers are not being used in an unfair way. However, when the powers are exercised, do people know whether it is a section 44 stop or a stop under the Police and Criminal Evidence Act codes? Is there enough information out there?

The stop-and-search action team has an independent community panel, which includes representatives from a range of faith backgrounds, including Islam. A lot of work is being done to prepare some detailed guidance on how the powers should be used. We expect to have that before the end of the year. Work is also being done on how we communicate with the public about the way in which the powers are exercised, so that they know their rights. The Met has done some research, and found that people in the Muslim community are not sure about which powers are being exercised in which ways. The Committee has highlighted a real issue, and we will address it.

The issue of schools and citizenship education has been raised. That is an area in which we can do much more. The evidence on citizenship education is that where teachers have a degree of expertise and confidence, it is of a much higher quality. The same applies to sex education. When teachers feel that a subject is not just an add-on to their mainstream work, they are much more confident in exploring difficult, controversial and contentious issues. Citizenship education has only been running for a couple of years, but we have a joint working party with the Department for Education and Skills on how we can give teachers the confidence to open up the debate on topics such as politics and religion. All of us sometimes have difficulty discussing those issues, never mind young people who hold extremely strong views.

Mr. Denham: Would my right hon. Friend include in those discussions the organisation PeaceMaker, which prepared evidence for our Committee? It is not the only one, but we were impressed by the quality of its work.

Hazel Blears: Yes, I am aware of it and had a brief opportunity to meet some of its members. I am delighted to involve them and sure that they will have some very practical suggestions for us.

The final issue was identity, which has been mentioned by all speakers. How do we all feel British in a multicultural country? The commission will have some good information on that. *[Interruption.]* I do not know whether that is a mechanical toy or a battery-fed bunny, but it is driving me mad.

I want to mention the seven working groups that we established over the summer under the banner "tackling extremism together". I am grateful to the people who took part in them. What was really important was that they were led by the Muslim community, not by the Government saying, "We are going to tell you what you should be doing." There was a range of groups working with young people and women, looking at the role of imams and of mosques and considering how we might define extremism, which is very difficult to do. I was hugely impressed by their work. The reports have gone to the Home Secretary, and we shall take forward a number of the proposals that have emerged.

The final reports are due shortly, but we have three specific proposals: the first is to have a national road show. That came from the young people's group, which was very engaged. It suggested—in the spirit of the comments made by the hon. Member for New Forest, East—that we bring together influential scholars, people who can give a true version of Islam, have sufficient background knowledge to challenge the perverted view of it that is often peddled by the extremist, and are popular with young people, too. They might be controversial, but they will be able to connect, and if we can create a national road show in which they can meet thousands of young people across the country in an engaging fashion, that will do a great deal to challenge some of the messages that are out there.

Mrs. Cryer: When the road show gets going, and we select the Muslim scholars and experts, we should remember that there are many very good Muslim scholars who are women. I can, for instance, suggest a professor at Glasgow university who would be very helpful.

Hazel Blears: I should be absolutely delighted; it is my intention to include women in the road show. The group that involved women was also excellent, with some good and constructive ideas. Women can reach people, including families, and have a huge influence.

The second positive proposal that we are taking forward is a national advisory council of imams and mosques. Again, it will not be dictated to by the Government telling people how they should follow their religion, but led by the community and supported by Government. How do we get a proper curriculum and make sure that people have support for training? Many more imams are now trained in this country, and they not only express their religion in English but have a real understanding of the issues that face young people in particular in the complex and difficult world in which they need to make their choices.

The third idea that we are definitely taking forward is a national forum against extremism and Islamophobia, which will provide a forum for people to come together again and discuss how to tackle them. There is also the issue of how we give those involved capacity, and we recently announced a capacity-building fund for all faith communities; we have £5 million, and a bidding programme is under way now. We will make it as simple as we can to ensure that we get the money out to people and build their capacity to engage with the mainstream political process. If we say that the way to resolve our problems is through democracy, which we do, and that there is never an excuse to resort to violence, it is absolutely key that we make our democratic institutions and systems accessible so that people see that it is worth while getting involved in the political process, whether at local, regional or national level, and that that is the way to ensure that action is taken. Strengthening that belief in democracy is hugely important.

The hon. Member for Hertsmere (Mr. Clappison) raised some important issues. He asked whether we have shared the legislation with the community, and we have. We are in constant contact through many of the working groups that we have set up, and particularly the tackling extremism working group. We also have specific consultation going on about how we tackle extremism in places of worship. Again, that is predicated not simply on closing down places of worship, but on how we focus powers on the extremists and empower decent people in the community to take action. That consultation ends in just a couple of weeks' time, and we shall return to the issue.

The hon. Gentleman mentioned deportations and exclusions. There have been no deportations as yet, but a whole range of people are in custody on the basis that they are a threat to national security. We have signed two memorandums of understanding with Libya and Jordan and are keen to press on to ensure that we have sufficient undertakings so that we can make the deportations.

On extradition, we shall try to agree protocols for strict time limits. We do not necessarily want a statutory time limit, because if we were one day over the limit on someone's extradition, they would have to be released. We are getting proper protocols for each stage of the process so that we get those time limits in place. That is really important.

Many Members raised the issue of anti-Semitism, and I am pleased that they did, because it is absolutely unacceptable. My hon. Friend the Minister for Higher Education and Lifelong Learning has pursued the issue in relation to universities. Anti-Semitism, and indeed any similar action against a person, is clearly to be deplored. As my hon. Friends have said, academic authorities and student unions have a real responsibility, and we can help and support them in that.

My hon. Friend the Member for Walsall, North (Mr. Winnick) raised the issue of anti-Semitism and responsibility. He also raised the issue of clerics with outrageous views, and he will know that we have set out new guidelines on activities that we would consider not to be conducive to the public good. We will be taking those guidelines forward as well to ensure that people do not come here and peddle the kind of hate-filled views that we have heard all too often.

My hon. Friend the Member for Keighley mentioned Hizb ut-Tahrir. Clearly, it does not fall within the current criteria for proscription and it was not included in the list of proscribed groups that we took through the House last week. One provision in the Terrorism Bill relates to whether glorification should be grounds for proscription, and other organisations will be examined, although I will not comment on particular ones.

My hon. Friend made some very good points about involving women, and I pay tribute to her for the sometimes difficult stand that she has taken on such issues. She has been very honest and straightforward.

I do not have time to comment on all the points made by the hon. Member for Aylesbury, but he has clearly thought carefully about the issues. He mentioned prisons, and I can tell him that we have more than 100 accredited imams going into prisons, and proceedings are monitored carefully.

The hon. Member for Leeds, North-West (Greg Mulholland) clearly takes a personal interest in these issues. I simply say that every one of us has a responsibility to ensure that we talk about them openly and honestly and tackle some of the difficult problems. When I went to my meetings during the summer, I was

[Hazel Blears]

perfectly happy to engage on issues of foreign policy, and we cannot shy away from that. When we talk about Iraq, however, we must also remember that Muslims are killing Muslims there. Many Muslims were also killed under Saddam Hussein, so I cannot accept the hon. Gentleman's point—

It being half-past Five o'clock, the motion for the Adjournment of the sitting lapsed, without Question put.

Westminster Hall

Tuesday 1 November 2005

[JOHN BERCOW *in the Chair*]

Herceptin

Motion made, and Question proposed, That the sitting be now adjourned.—*[Tony Cunningham.]*

9.30 am

Mark Fisher (Stoke-on-Trent, Central) (Lab): I am conscious of, and grateful for, the good fortune that allows me to raise this issue. For those women in Britain who have breast cancer and who are HER2 positive, it is literally a matter of life and death. If treated with the drug Herceptin, it is likely—indeed, it is almost certain—that, in the first year after they are diagnosed, 50 per cent. of those women will survive and lead a full and normal life. If the drug is not available to them, they will suffer and die.

Other cancer drugs, wonderful though they are, tend to have a success rate of 3, 4, 5 and 6 per cent. That is a good success rate for cancer drugs. However, the success rate for Herceptin is without precedent. It is 50 per cent. It has led the eminent oncologist, Professor Ian Smith, to describe the trials on Herceptin as the "most stunning" data that he has ever known throughout his career.

The brilliant scientists who developed the drug won the Nobel prize in the 1980s. It has been developed by the pharmaceutical company Roche at a cost of about £900 million. In the past two weeks, *The New England Journal of Medicine* has given the drug a peer review. I am no expert on such matters but, by all accounts, the journal is the most rigorous and highly respected medical journal in the world. It stated that the drug really is as good as everyone hoped that it was. It is a potential savour. Yet, it is not generally available in this country.

David Taylor (North-West Leicestershire) (Lab/Co-op): No one in the Chamber would speak against prescribing Herceptin to those who will benefit from it. Does my hon. Friend agree that describing it as a magic bullet masks the reality that it can have serious side effects and that its benefits may be less than the breathless press coverage suggests? Does he accept that such matters can skew finite research resources away from, say, hepatitis, dementia or prostrate cancer where clinical needs and patient benefits are every bit as great?

Mark Fisher: My hon. Friend makes an interesting point. When referring to new developments, it is, of course, always right not to overstate them and raise people's expectations. There is nothing more cruel for people with breast cancer than to believe that the drug will solve all problems. It will not; only 23 per cent. of women with breast cancer are HER2 positive and it can help only them.

I thoroughly disagreed with my hon. Friend when he said that there are substantial problems. I cannot claim to have read the whole of the report on the drug in *The New England Journal of Medicine*. I would not have understood it even if I had, but eminent clinicians say that the drug really is as good as everyone said. As for his further point that it would divert resources, it should not do that. If it is as good and will save the lives of women with breast cancer, we need resources directed at the drug. On the whole, I do not share my hon. Friend's reservations.

Given that the drug is so extraordinary, why is it not available in Britain? It is now available for late-stage breast cancer, but oncologists will prescribe it for women who can afford to pay for it and that is not a satisfactory solution. We are talking about a matter of life and death. It should not be about where a person lives and whether she can afford the drug. There should not be a market in the drug. It is saving lives. It should be used to save the lives of all the women who can be treated by it successfully.

Mr. Nick Gibb (Bognor Regis and Littlehampton) (Con): On the point about paying for drug, a huge number of people went on a sponsored walk in Rose Green in my constituency to raise £20,000 to enable Mrs. Chris McKrill, a district nurse, to pay for the dosage of the Herceptin that she needs to secure recovery. Does that not show that there is public support for prescribing the drug on the NHS? Does the hon. Gentleman agree that anyone diagnosed with breast cancer should automatically have the test for the presence of HER2?

Mark Fisher: I entirely agree, and I will come to the general availability of testing—or lack of it—in a minute. At the moment, the only cases that we know about are in those areas where there have been trial tests. That is how I came to be involved in the subject in a slight way, because Stoke-on-Trent was one of the areas chosen for testing. For that reason, women with breast cancer in my constituency—and in other areas, including Somerset, along the south coast, Devon and Cornwall—have been made aware that they are HER2 positive and so might be susceptible to the benefits of the drug.

Paul Farrelly (Newcastle-under-Lyme) (Lab): I thank my hon. Friend for giving way, because I have a Select Committee to go to; I am afraid that I will not be here at the close of the debate.

On testing, does my hon. Friend welcome the Secretary of State's statement over the summer and her generally sympathetic response on the issue, not least in making testing available to sufferers, so that they can see whether they might benefit from Herceptin and whether they are, in the jargon, HER2 positive? Also, does he agree that there seems to be an anomaly, in that the statement seems to suggest that testing will be given to those newly diagnosed with breast cancer, but not to existing sufferers? Does he agree that that position is not defensible, and that the Minister should address that when she responds?

Mark Fisher: My hon. Friend makes an excellent point. Anybody who cares about the subject must want testing to be universally available. Everybody should be tested; only then will we know who can be helped by the testing, and only then will the Government, and primary

[Mark Fisher]

care trusts, know definitively the scale of the problem and so will be able to work out the cost and a way of getting treatment to the people who need it. So, yes, my hon. Friend makes an essential point.

The Secretary of State's involvement and interest is terrifically encouraging, but testing has got to be widespread and general. At the moment, it is partial. That probably accounts for the fact that the matter is not a major national issue yet. Only in those areas where there has been testing have women, and therefore their parliamentary representatives, really been made aware of it.

As I say, I came across the issue in Stoke-on-Trent because women are being tested there. The circumstances of many women are extremely upsetting. Like the hon. Member for Bognor Regis and Littlehampton (Mr. Gibb), I have a constituent—Dorothy Griffiths—who has raised money for her treatment, but she is determined that it should be generally available, and not just to those lucky enough to be able to afford it, or to find means of affording it. There are women such as Joanne Leese, 31, who is from my constituency. She was diagnosed with breast cancer while she was pregnant, and therefore had to wait until she had given birth to begin treatment. She now has a son aged 11, and she started treatment for breast cancer the day after she gave birth, her son having been prematurely induced. She wants her son to grow up knowing her; at the moment, if she cannot get Herceptin, she will not see her son get older.

Annette Brooke (Mid-Dorset and North Poole) (LD): Is the hon. Gentleman aware that the Secretary of State for Health said, at a Breakthrough Breast Cancer meeting last week in Methodist Central hall, that Herceptin should not be refused by any primary care trust solely on the grounds of cost? Does he agree that it would be very helpful if the Minister could say how that will be communicated to PCTs, so that we get rid of the postcode lottery?

Mark Fisher: I had noted that remark and, indeed, the Secretary of State's evidence to the Select Committee on 27 October, in which she said that the matter was one for PCTs, and that they should proceed with the issue. She then gave her support to the drug. However what she said rather clouds the issue. It is no good saying that prescription for the drug is a matter for PCTs if they cannot afford it, and we cannot leave the issue of whether women die from the disease to the financial skills of PCT managers around the country. This is not really a local matter; it needs to be decided nationally and we need guidance and a lead from the Minister. She cannot hide behind the PCTs and say, "It's over to you. You make the decisions and find the money." Most PCTs—or very many of them—are heavily in debt, and the women in those PCTs could be denied this drug simply because of those financial problems. This national problem should be dealt with nationally, and that applies as much to diagnosis as to prescription.

Some very small PCTs do not have oncologists on the panels that make such decisions. A PCT in the constituency of my hon. Friend the Member for Staffordshire, Moorlands (Charlotte Atkins) had to decide a case last week, but felt that its panel did not have the necessary professional expertise. It had to defer its decision and look outside the panel for that expertise. That is not a problem for a PCT in a big city such as Leeds or Manchester, but it is a genuine problem across the country. We cannot leave this issue to the vagaries of, and disparities between, PCTs.

This problem affects women all over the country, and regardless of where they live or of the financial circumstances of their PCTs, this issue should be decided on the basis of clinical need. PCTs in deficit are unlikely to feel that they can afford to prescribe the drug. They need not only guidance and a lead from the Secretary of State, but some help.

I have mentioned two cases in my constituency, and there are others: a staff nurse is using her life savings because, as she said, she wants to live to see her daughter walk down the aisle. The husband of another sufferer has just lost his job, and she now wonders whether she will be able to remortgage her house to pay for the Herceptin that may keep her alive. She does not know whether she will get a remortgage, given that her husband is now out of work.

I am very conscious that we should not decide these things on the emotional context. Nevertheless, we ought all to be aware of that context, and I am sure that we are. These matters are not simple but they concern people's lives and hopes, and we should therefore at least be aware of the emotional context, even if that is not the sole factor.

What are the problems? Why is Herceptin not being prescribed? It is licensed for late-stage treatment, but giving it for late-stage breast cancer means that the patient has to be on the drug for the rest of her life, however long that is, and that is very expensive. Moreover, the drug will never cure them. Herceptin is not licensed for early-stage breast cancer, when 12 months' treatment is enough to decide whether the patient can be cured. As the hon. Member for Mid-Dorset and North Poole (Annette Brooke) suggested, not everybody is tested, so there are no national statistics. That inhibits the debate.

Herceptin is not yet approved by the European Medicines Evaluation Agency and is not licensed by the National Institute for Health and Clinical Excellence, which is the Minister's particular responsibility. We shall be very interested to hear what she has to say about that.

Until recently, few primary care trusts would prescribe Herceptin; they were waiting for formal approval, as is understandable and correct. However, the drug is now prescribed widely, off-licence, in other countries such as France. Waiting for a drug as well proved and mature as Herceptin to be licensed is not as essential, I understand, as it might appear to the layperson.

Dr. Ian Gibson (Norwich, North) (Lab): As my hon. Friend will know, in the early stages, the drug is directed against a certain characteristic of the cells that express the HER2 receptor. That receptor is present in both late and early stages, so there is no scientific or medical reason why the drug should not be used at both stages. What is the point of NICE in all this? If NICE is

examining the issue and giving out a message, what is happening between it and the PCTs? What is the point of NICE?

Mark Fisher: It is not for me to say; I suspect that the Minister will have a clear view on that. However, my hon. Friend makes a good point; given his medical and scientific expertise, I think that he will be listened to carefully.

The drug is not yet approved by NICE. As a result, until quite recently, few PCTs were anxious to prescribe it; they wanted to wait and see. Roche has not yet applied for a licence. I spoke to people from Roche yesterday and I asked what the delay was. They said, "Licence applications are very difficult. This one will probably have 3,000 pages of text and analysis. We have not finished it, but we hope to do so and apply for a licence in February. It should not take very long then." Nevertheless, Roche emphasised that we do not have to wait for the licence. Oncologists want to prescribe the drug and they feel safe about doing so. It is being prescribed in other countries, such as France and Canada. I do not think that that necessarily is a full explanation about why it is not being prescribed in this country.

The drug is undoubtedly expensive; it costs £21,000 for a year's treatment. However, the Secretary of State told the Select Committee on 27 October that cost is not an issue. Perhaps it is not an issue for her—it is rather encouraging to hear that she believes that this should be paid for—but it is one for many PCTs that are millions of pounds in debt. It is not a satisfactory solution for the Secretary of State simply to say to PCTs that are £10 million or £15 million in debt, "Cost is no problem, go on and do it." It is not satisfactory that women in those PCTs should be penalised for whatever the financial problems of those PCTs are.

The drug has terrific cost benefits. If a diagnosis is made in the early stages of breast cancer, it can be cured and the direct saving of cost to the NHS is enormous. If, as now, it is prescribed only at a late stage, the cost of the treatment through Herceptin and the chemotherapy associated with it will be considerable for a number of years. It is in everybody's interest—the patient's, the PCT's, the Government's and the national health service's—that it is prescribed at an early stage, when it can save lives rather than simply prolong them.

Those cost benefits do not take into account the indirect cost benefits to the state. If these women die, the costs of the people who are dependent on them—young children and dependent parents—will fall considerably on the state. The knock-on costs of not prescribing the drug at an early stage are considerable. As we do not know how many people in the country are suitable to have the drug, we cannot calculate those costs. That is yet another reason for getting on with the testing.

Where are we with this issue? Women with money and access to the finances receive the drug. Women in Cornwall, Devon, Dorset and now Leeds are receiving it; I gather there was also a case in the Wyre valley last week. It is more widely available in the south of England than in the north. In the midlands, it is hardly available at all. Why is there yet another postcode lottery, when postcode lotteries in health have been so discredited and reviled? I cannot understand it, and it is not acceptable.

I understand the difficult position that the Minister is in and the fact that she, as all Members of this House do, cares very much about the fate of these women. However, there are things that it is right that we ask her and the Government to do. First, we must make testing generally available now, so that we know how many people can be helped by this drug. Secondly, we must give clear guidance to the PCTs now. It is not enough simply to give encouragement to them. They need to know that the Government are behind them and will back them up financially. This is not a local decision and should not be left as such.

Will the Minister take the issue back to the Secretary of State, so that she can reconsider her decision that this is a local decision? It is not a local decision. Discussions should be entered into with Roche. That £21,000 might, in some ways, be a negotiable figure, particularly if the drug is widely prescribed and therefore the unit costs ought, logically, to come down—although once £900 million has been invested, that will take some time. Also, amazingly, Roche's patent expires in 2011, so it does not have much time to recoup its costs. Nevertheless, with the Secretary of State's influence and strong position, it would be helpful if she entered into discussions with Roche.

Finally, the Secretary of State really must enter into discussions with the Chancellor of the Exchequer and the Treasury now. More money is going to be needed for this. In Government terms, it is not a huge sum of money, but it is more money than the primary care trusts can find. There has to be some additional funding from the Treasury to recognise the potential of this drug. Those are not unreasonable requests and they make good sense.

Dr. Gibson: Does my hon. Friend realise that there may be another 100 cancer drugs in the pipeline over the next five years, so we had better get this one right before we address the others?

Mark Fisher: Yes, but I suspect that my hon. Friend understands more than me how particularly effective this drug is and how startling, compared with other drugs, the percentage of cure is. Of course, he is right. This is not the only drug now; it is not the only drug in the future. But it is one that we believe, and *The New England Medical Journal* believes, can save a great many lives. It is a matter of life and death.

Where women live should not determine whether they get this drug. On behalf of those women, I say to the Secretary of State, let them live. Let them have this drug. Let them be tested. Let its availability not be dependent on where they live or how much money they have, but on the national health service, which has served this country well. I beg the Secretary of State not to turn her back on these women. The Government must act on testing, on guidance and on finance. If these women are to be saved, they must act now.

9.52 am

Mr. James Gray (North Wiltshire) (Con): May I first congratulate you, Mr. Bercow, on your elevation to the Speaker's Panel? However, seeing a member of one's own intake in your elevated position does age one a little. My congratulations are therefore a bit half-hearted in that

[Mr. James Gray]

sense. May I also congratulate the hon. Member for Stoke-on-Trent, Central (Mark Fisher) on initiating this extremely important debate?

I have a small personal interest to declare, albeit not a financial interest as far as I am aware at this stage. Right in the middle of the general election campaign, horrifyingly enough, my wife was diagnosed with breast cancer. I remember going to see the surgeon who said, "Oh yes, I've arranged a date for surgery. It will be 5 May." Sarah and I had to explain why that would not be appropriate. She is now in the middle of her chemotherapy.

I understand that Herceptin is not suitable for women who are in the middle of chemotherapy. Therefore, I presume that it would not be suitable for Sarah. But the interesting point is that as far as I am aware—I have not checked her notes—she was not tested for HER2 and she certainly was not offered the opportunity of having Herceptin. Although it would not now be appropriate for her to have it, I would be interested to know whether it would have changed the course of her treatment, which is a tough business by any standards, as many here will know.

I was very impressed when I attended the Breakthrough Breast Cancer lobby last Tuesday. What a well organised lobby it was. We are all subjected to all kinds of lobbies from all kinds of different interest groups. Breakthrough Breast Cancer organised a superb lobby and told us all precisely what to do. One thing it told us to do was to get in touch with our local primary care trust and discover whether Herceptin would be prescribed automatically and whether testing was done. Being an efficient bunny I did exactly that. I wrote to my PCT and I got the reply this morning. I wrote simply asking whether North Wiltshire and Kennet primary care trust would prescribe Herceptin.

I spent six years at university so I pride myself in not being too dim, but I shall read out the reply carefully. It states:

"We have funded the full drug uplift"—

whatever that might be—

"which has been recommended nationally, in all major acute providers for 2005/2006. This means that Trusts are free to make clinical decisions about any new/high cost drugs without having to come back to the PCTs for financial approval.

The planning process for 2006/2007 is just starting and within that we will take full account of emerging national guidance on the prescribing of Herceptin."

I have read that about six times and the meaning is just dimly beginning to come through to me. At the moment, the Government say that hospitals can make up their own minds on the subject—the PCT does not have to decide—but that they will none the less take full account of emerging national guidance over the next few months. Frankly, if I sent that letter to a constituent, particularly one who had recently been diagnosed with breast cancer, and said, "Here is what the local NHS has to say on Herceptin", it would make the situation a great deal worse than it is at the moment.

One thing that we must do—perhaps it will be an outcome of the debate—is to clarify to the many thousands of women being diagnosed year by year with breast cancer what Herceptin is for and whether they will be automatically tested for it. The question of testing is extremely important. I think that only 35 per cent. of PCTs test for HER2. Such testing should be universal. Will women be tested for it; will they be suitable for Herceptin? If they are suitable, will their local PCT or the local hospital deal with the issue?

Frankly, the architecture of the health service is an academic matter. It may interest the Minister and others in this Room, but my constituents who have been diagnosed today with breast cancer do not care whether it is the PCT, the Avon, Gloucestershire and Wiltshire strategic health authority, the national health service in London or the Bath Royal United hospital that deals with the issue. My constituents want to know whether Herceptin will work for them and whether Her Majesty's Government, or the national health service, will pay for it. Those are the important things. Sending out confusing letters is not helpful. Some of the language that we have heard is exactly what the national health service should not be using. It is national; it is the health service. Her Majesty's Government are responsible for it because it uses taxpayers' money. We want to know from the Government whether they will make automatic testing for Herceptin available and whether the drug will be available more generally than it is at the moment.

Incidentally, I accept the point made by the hon. Member for Norwich, North (Dr. Gibson). He is absolutely right to say that many more breakthrough drugs for all kinds of cancer will come along in the next few years as science develops rapidly, so getting the protocol right for this breakthrough drug now is desperately important for the future.

Many other hon. Members want to take part in this very important debate, so I shall conclude with a relevant issue that is a particular hobby-horse of mine. We welcome the establishment of NICE. It is perfectly reasonable and sensible that there should be a Government organisation set up to examine the efficaciousness of drugs. Some drugs work for some people and some drugs do not. It is absolutely right that the Government should examine which are which. However, the word that we do not like in the task given to NICE is "cost-effective". NICE should determine whether drugs are effective—whether they work. NICE should determine whether Herceptin would have been appropriate in my wife's case. That should be a clear and straightforward matter. It should then say to the Government and to the national health service whether the drug is good, bad or indifferent.

Of course, the situation may be much more complicated than that. NICE might say that the drug is good in some cases, but not in others. However, it should not have to say, "This is a good drug. It works, but we are not certain that the Government can afford it." The affordability of drugs should be a matter for the Government—for politicians. It should be up to the Minister of State, Department of Health, the right hon. Member for Liverpool, Wavertree (Jane Kennedy), to stand up this morning and say—this may well not be the case—"NICE has said that this is a brilliant drug. It works. However, I am awfully sorry but my right hon. Friend the Chancellor of the Exchequer has said that he is spending the money this year on schools, so the money will not be available for Herceptin." That would be a perfectly legitimate political decision to take—a tough

decision, but perfectly legitimate. To shuffle off the decision about whether the drug is cost-effective to an anonymous organisation called NICE, which few people know, seems to me to be less acceptable. The Government should come to a conclusion as to whether the drug is cost-effective as well as effective; that should not be left to NICE.

We need greater clarity. My local PCT, like many others, is massively in debt—to the tune of millions of pounds. Is the decision up to the PCT? In that case, I fear that the nice people who run my local PCT will have to say, "Well, I'm awfully sorry, but I'm going to be faced with a choice between closing two or three community hospitals"—there is a debate in this Chamber tomorrow on community hospitals—"and making Herceptin available." That should not be a decision that it takes. It should not be a decision that the Bath Royal United hospital takes, because it is deeply in debt. That decision should be taken by the NHS; it is a national health service, and if this drug works, it must be available to all.

I hope that the Minister echoes some of the remarks that the Secretary of State made at the Breakthrough Breast Cancer lobby meeting last Tuesday. She made encouraging comments on this matter at that meeting. The Government agree with me about what is the right direction, so I do not want to press them unduly. However, I hope that the Minister will acknowledge that the drug works, that testing is essential and should be universal rather than done on a postcode basis, and that it should be the Government who decide whether it is affordable. If it is, I would also like her to explain the mechanism by which it will be paid for.

I congratulate the hon. Member for Stoke-on-Trent, Central on asking the right questions so well. He is right: we need to know from the Government today—as do the tens of millions of women throughout Britain who have a keen personal interest in this subject—whether the drug will be made available, on what basis it will be made available and who will pay for it.

10.1 am

Joan Walley (Stoke-on-Trent, North) (Lab): May I start by saying what a pleasure it is to debate this subject under your chairmanship, Mr. Bercow? If, as a result of this debate secured by my hon. Friend the Member for Stoke-on-Trent, Central (Mark Fisher), we end up with a Government position that allows us to deal with Herceptin within the NICE bureaucracy so that we have a way forward on this issue, we will have performed a good service.

I congratulate my hon. Friend. We and other Members of Parliament from north Staffordshire met our constituents in the summer, and it is clear that we are totally behind them in their campaign, from north Staffordshire, to make Herceptin available throughout the country. I hope that this debate will lead to a better engagement with the Secretary of State and Ministers. There are still many unanswered questions and issues that urgently need to be resolved.

Over the weekend, there was much press speculation and discussion about a conference in Birmingham that was attended by more than 1,000 people. As I tuned into various media shows, I heard how much the Government wanted to listen to people—wanted to listen to those 1,000 people about the way forward for the health service. I say to my right hon. Friend the Minister that 37,000 people in north Staffordshire have signed a petition; they simply want the Government and the Secretary of State to listen to what they are saying about Herceptin.

It is important to set out, as the contribution of my hon. Friend the Member for Stoke-on-Trent, Central did, the real issues that we are dealing with. We are dealing with the long term and the short term in respect of the way in which the NHS is able to provide care across the country.

I have followed this matter carefully since we first had meetings with our constituents in the early summer months, and I think that the Government have made a lot of progress, and I commend them on that. In particular, it is good that the Government have now said that there will be testing throughout the country. I assume that that means that they have conceded that it is almost certain that NICE will approve the licensing once the drug has gone through its submission from Roche to the European licensing structure and then on to NICE. As we are to have national testing, I also assume that the necessary machinery will be put in place, and that finance will subsequently be put in place, and that guidance will follow in order to ensure that anyone diagnosed now will have that testing.

Those bureaucratic hurdles must be overcome, and other hurdles that are not bureaucratic must also be overcome. I genuinely believe that we need to have a proper licensing structure. I assume that when they have been overcome and everything is in place, there will not be any problem in the long term with people being able to access Herceptin as a NICE treatment, as the Government are starting to put those particular bits of the machinery in place. I welcome the decision about testing.

I also welcome the statement that the Health Minister in the other place made on 19 October. He said that a review of how the NHS pays for expensive treatments and expensive drugs would be undertaken. I gather that that review will be completed in December. I hope that the debate on the non-availability of Herceptin will be able to contribute to that review.

When I raised the issue at Prime Minister's questions almost a fortnight ago, I felt that I received a sympathetic response from the Prime Minister. He acknowledged that NICE's drug-approval system is not working quickly enough, not only in approving Herceptin but, as my hon. Friend the Member for Norwich, North (Dr. Gibson) pointed out, the other new cancer treatments that are about to be introduced as a result of technological advances. The Prime Minister's response suggested that we must do more, more speedily; however, we must to do it effectively, too.

In response to the intervention from my hon. Friend the Member for North-West Leicestershire (David Taylor), there is no way that we want to be in a situation in which we say that drugs that will cause other serious medical illnesses should be prescribed. I accept that the Government are looking to do more, which I welcome and on which I congratulate them.

When it comes to the short-time issue, however, I feel angry. The Government are almost hiding behind bureaucracy and the machinery that is in place. As my

[Joan Walley]

hon. Friend the Member for Stoke-on-Trent, Central pointed out, we have a system whereby tests have been ongoing for five years with the manufacturers Roche. We now know that 50 per cent. of the women who have tested for HER2 positive status could benefit, and they are now having that treatment. A huge sense of injustice and unfairness is building because treatment is being considered on a case-by-case basis. I could understand that if case by case meant that the consultant clinician said, "You have tested positive for HER2; therefore Herceptin can make a real difference to your treatment. The primary care trusts will decide whether to agree that treatment in exceptional cases." However, each primary care trust has to reinvent the wheel while NICE assesses whether to approve the treatment. That cannot be right. Why, for example, should the North Stoke primary care trust have to fund research into whether the outcome of the New England review will be as cost-effective as we have been led to believe in order for it to be able to prescribe Herceptin subject to conditions?

We have NICE, yet every primary care trust in the country is seeking to establish that it will prescribe the drug cost-effectively for the small group of women who are now known to be HER2 positive and who need the treatment now. Those women cannot wait to be treated, yet the NHS is denying them the treatment because the Government are hiding behind NICE.

Following meetings that I—along with colleagues in north Staffordshire—have had with the women who are waiting to be treated, I have asked for a meeting with the Secretary of State, although I have not yet been given one. I hope that when the Minister responds, she will look carefully at agreeing to a meeting with the north Staffordshire MPs to see how we can deal with the situation in the interim.

It is too late for some women in north Staffordshire to be tested. Had they been involved in the tests, they would have had Herceptin. Had they been in the control group, they would still have had access to Herceptin. However, their cancer is at too early a stage for NICE. About 1,000 women are affected by that. That is where the nub of the debate lies: what do we do about those 1,000 women around the country, of whom there are about 14 affected in north Staffordshire? Budgets have been set for this year that have been unable to account for unanticipated expenditure should treatment be agreed on a case-by-case basis. The money is not there because the primary care trusts are so much in deficit. The Government must deal with that issue, but they have not done so. They have put all the long-term measures in place, but they have not faced the reality that about 1,000 women known to be HER2 positive will simply not get the treatment because the primary care trusts cannot agree it. That is a question of money. It is important in the long term that this discussion should open a wider debate on NHS funding. We talk about taxes, but I do not think that we should be in the position where we say that we will pay less tax. Everyone whom I meet says, "Joan, we want these women to get this treatment if they need it, and if it has been recommended."

We must hold the debate on how we fund the NHS and ensure the availability of stunning treatments such as Herceptin, which is 50 per cent. effective in cases for which it is available. For that reason, I support my hon. Friend the Member for Stoke-on-Trent, Central. I ask the Minister to hold a meeting with north Staffordshire MPs. Our primary care trust is asking whether the Government will give them a bridging loan, as this is a matter of short-term finance between now and the next financial year.

10.11 am

Dr. Richard Taylor (Wyre Forest) (Ind): I join in congratulating the hon. Member for Stoke-on-Trent, Central (Mark Fisher) on securing the debate. I hope that we will make the Minister aware that we must have a more satisfactory plan. I welcome the prospective affordability and availability of Herceptin, but I wish to explore the other side of the question so that we can find a way forward.

This week's *Health Service Journal* editorial states:

"The Government's decision on Herceptin in the face of lack of guidance from the independent National Institute for Health and Clinical Excellence will have been duly noted by patients with other conditions."

The Secretary of State's knee-jerk reaction to an emotive appeal in the press does not take account of many of the problems that are associated with Herceptin. One cannot simply take a pill. An injection has to be given. Full back-up and resuscitation facilities are required because there can be acute reactions to it. There must be tests for safety because cardiac side-effects must be taken into account. Therefore, it is not just a matter of money; there are other matters to consider. Within my PCT area, about 10 ladies could benefit from the treatment. One has been approved, but I spoke to the director of public health yesterday, and the facilities for giving the treatment are not in place, even if the money is there to fund it. That is a major problem.

How should it have been done? First, we should not have waited for a patient to raise the matter. In a way, I blame my profession. It was well known from *The New England Journal of Medicine* and from the conference that the treatment was a major breakthrough. Ideally—I do not know that this did not happen—oncologists should have gone to the cancer tsar. The cancer tsar should have gone to the Secretary of State, who should have gone to NICE. A committee of oncologists should have been urgently convened to make an interim appraisal. If one looks back to the Health Committee report on NICE, which was published as long ago as 2002, we stated:

"We recommend that for all new technologies, NICE's work programme is arranged to facilitate publication of guidance at the time of launch. When this is not possible, NICE should conduct rapid 'interim' appraisals of clinical and cost-effectiveness to be published at the time of a treatment's launch".

Surely, therefore, a rapid assessment by a committee of oncologists to give an interim appraisal would not be beyond possibility.

Dr. Gibson: Is not the licensing of the drug another aspect of the process? The pharmaceutical company raises in its defence the fact that it did not get the licence. How does that relate to what the hon. Gentleman mentioned about NICE? Without the licence, can one proceed?

Dr. Taylor: I thank the hon. Member. We are getting confused between licensing and NICE guidance, which are entirely separate matters. However, my understanding is that a doctor can use an unlicensed drug under his responsibility, but he may not be covered if something goes desperately wrong. I can understand the company's dragging its heels. Think of the trouble the makers of Vioxx and of Celebrex have got into. There could be tremendous troubles ahead for this drug. It is entirely different when one is talking about a drug for cancer, for stomach ulcers or for arthritis, but there is a huge problem.

The Minister of State, Department of Health (Jane Kennedy): On the rapidity of the response, does the hon. Gentleman accept that the article in *The New England Journal of Medicine* was only published on 20 October 2005? Does he accept that discussions had been taking place with the cancer tsar, with my colleagues in Government and with oncologists about the speed with which we were getting new cancer drugs to patients who were identified as being able to benefit from them? I hope that the hon. Gentleman will accept that response to his point.

Dr. Taylor: I said that I did not know if that had happened. I am delighted to hear that it has, as it appeared that it was all due to the lady who went to the press. As to the future, ideally, NICE must be set up to respond very quickly in every such case if it is possible.

Recommendation 26 of the Health Committee inquiry this year on the pharmaceutical industry stated:

"We recommend increased funding of NICE to allow it to evaluate more medicines more quickly. Consequent improvement in prescribing standards should make such investment cost-effective."

The Government stated in response:

"We have noted the committee's recommendation, however, increased funding for NICE will be a matter for future spending review settlements where additional resourcing for the Institute will be considered against priorities for the NHS as a whole."

That is rather kicking the whole thing into touch.

What is NICE's work load? I tabled a parliamentary question to try to find out the number of cancer and non-cancer drugs waiting for appraisal. Cancer Research UK says that it is waiting for 13 appraisals on cancer drugs, of which 11 are being delayed, nine as a direct result of NICE having been given extra jobs to undertake without being given money. It has made proposals to the Department of Health about how to speed up the appraisal process and I hope that the Minister may tell us something about the Government's response to those proposals.

Other hon. Members mentioned the possibility of other drugs becoming available. There is an exact parallel. A drug called Eloxatin has NICE guidelines for use in a specific group of patients with bowel cancer, rather as Herceptin has guidelines for use in a specific group. Now there is evidence to suggest that it is the most effective treatment advance for early colon cancer after surgery for 15 years. Up to 8,000 patients a year could need it. We must get the mechanism right now, so that when that and other drugs that are in the pipeline come along we do not have to wait for people to go to the press to get their drugs.

I want to mention another difficult problem of rationing. Orphan drugs, which are for very rare illnesses, are protected. They have a specific pot of money for their prescription. Is that right? Two articles in the *British Medical Journal* this week question whether it is. It brings one back to the question of health care rationing which has absolutely got to take place. I shall quote briefly from an article by McCabe, Claxton and Tsuchiya in the *British Medical Journal* this week:

"Special status for orphan drugs in resource allocation will avoid difficult and unpopular decisions, but it may impose substantial and increasing costs on the healthcare system. The costs will be borne by other, unknown patients with more common diseases, who will be unable to access effective and cost effective treatment as a result."

Funding and priorities are the huge issue. In the Health Committee report on NICE in 2002, when we suggested that the Government were not giving sufficient funding for NICE guidelines, the Government response was:

"The NHS does have sufficient funding to meet the cost of NICE recommendations. The expected aggregate cost of NICE recommendations is one of the factors taken into account by the Department of Health and the Treasury when discussing future funding requirements for the NHS".

Many primary care trusts are in deficit. I would like the Minister to talk about affordability, as other hon. Members have requested. However, if one other thing can come out of the debate, there is a need for a rational open debate on health care rationing across the NHS.

Several hon. Members *rose*—

John Bercow (in the Chair): Order. I intend to call the first Member to make a winding-up speech at 10.30 am. Two Members are still seeking to catch my eye. I hope that the next Member who has the Floor will tailor his or her contribution accordingly.

10.21 am

Charlotte Atkins (Staffordshire, Moorlands) (Lab): I congratulate my hon. Friend the Member for Stoke-on-Trent, Central (Mark Fisher) on securing this vital debate, which is particularly vital for those of us in North Staffordshire. Herceptin has become the cope for countless women with breast cancer. It seems to be a remarkable drug. I was delighted to hear that the Secretary of State for Health has cleared the way for its use by women who have early onset of aggressive breast cancer long before the drug is likely to be licensed.

The Secretary of State rightly said that local health trusts must not refuse to fund the drug solely on the ground of costs. In North Staffordshire, the PCTs have large deficits—in my constituency, there is a cumulative deficit of £5 million—so it is easier said than done for the financial aspect to be taken on board. Such heart-rending cases will go to the PCT complex case panels and the decisions will have to be made largely by non-specialists—lay people, supported or not supported by experts.

Effectively, on Herceptin, the primary care trusts are going to be taking over the role of NICE, but they will be doing it in a highly-charged emotive atmosphere, because they will be dealing not only with theories and medical views but with real women whose lives literally are in the balance. It does not seem the right way forward in the present situation to put such pressure on

[Charlotte Atkins]

PCTs and on lay non-executive directors, who will have to balance their decisions against the services that they know they will have to withdraw from other deserving patients just to fund this drug.

Time is on no one's side. One constituent, a young woman whose name I cannot reveal because she works for the NHS and does not want any publicity, needs the drug as soon as possible if she is to survive. I have referred her case to my local PCT, which will decide on her individual circumstances, but even at an overall cost of £40,000 for a year's treatment, which includes the cost of administering the drug, Herceptin could be in the long term a saviour for PCTs in terms of finance. The chances are that, if a patient has Herceptin early enough, the breast cancer from which the patient is suffering will be eradicated after a year.

The trouble is that PCT budgets do not work in that way. The trusts cannot say, "Well, we will invest this money now to save it over the next five or six years". Each PCT has to stay within its budget year on year. The cost of an expensive drug such as Herceptin cannot be spread over those years, although, clearly, it could reduce the risk of that disease coming back in women with early stage HER2 positive cancer by nearly 50 per cent. That will provide a huge saving not just to the PCT but in social security benefits if families are not deprived of women's help and care.

I suggested to the Secretary of State last Thursday when she appeared in front of the Health Committee that such cases should be funded in the short term not by the PCTs but by the NHS bank. This is an immediate problem that we must overcome. Clearly, we do not want to go back to the bad old days of postcode lotteries. These women are fighting for their lives and for the future lives and happiness of their families. Money should not be part of that equation, yet Herceptin's heavy price tag has an impact, particularly as Roche needs to recoup its £900 million expenses over just six years. Private companies need to make those profits, but they are incredibly high. I want the NHS to take a longer-term view over the next 20 to 25 years, by when the cost of Herceptin will have come down. The NHS should fund the drug over 25 years and reimburse PCTs accordingly.

10.26 am

Mr. Owen Paterson (North Shropshire) (Con): I congratulate you on your chairmanship, Mr. Bercow. You make me feel old, but it is as great a pleasure to see you as trick or treat follows on from Halloween.

I congratulate the hon. Member for Stoke-on-Trent, Central (Mark Fisher) on securing this debate. I am acutely aware that I do not have the personal experience so eloquently demonstrated by my hon. Friend the Member for North Wiltshire (Mr. Gray) or the hon. Ladies who have spoken.

I am here because of a very moving letter, which I received two weeks ago from a well liked, respectable family. It says:

"We are all aware that this dreadful cancer seems to be attacking more and more women, but when it strikes someone close to you, it is then that one becomes aware of the realities of not just fighting cancer but layers of bureaucracy. Please would you put pressure on the Government to speed the regulations through that will allow the drugs that will give her the best chance of survival? She has done all she can now she needs your help."

On that basis, I tabled about 30 questions and I would be grateful if the Minister sped up the replies. The drift of the letter was that some drugs were already licensed in Scotland. Taxotere, for example, has already been licensed by the Scottish Medicines Consortium. Apparently, a drug called Arimidex will get its licence a year ahead of the rest of the UK.

When I got into it, I discovered that the regulatory system is even more complicated. It is not just a question of an agency in Scotland giving a yes while a slow agency in England gives a no. There appear to be four agencies, and I would be grateful if the Minister explained exactly what the process is if a company with a world-wide reputation such as Roche produces a drug that it believes works. First, we have the European Agency for the Evaluation of Medicinal Products and, apparently, a consultation process to speed that up is going on. Can the Minister clarify that?

Secondly, we have the EU Committee for Medicinal Products for Human Use, which, as I understand it, has to give formal marketing approval before a drug can be considered in this country. We then have the National Institute for Health and Clinical Excellence. In an incredible answer to my parliamentary question, the Minister said:

"The National Institute for Health and Clinical Excellence (NICE) is not responsible for assessing the suitability of drugs for human use."—[*Official Report*, 28 October 2005; Vol. 438, c. 586W.]

In that case, what is it for? Finally, we have the drugs tsar, about whom I knew nothing until this morning.

The Secretary of State has told us that cost is not an issue. I went to my PCT 10 days ago and it said that if Herceptin were prescribed across Shropshire it would cost £1 million a year. My hon. Friend for North Wiltshire put the point well. We need clarity. It is a matter of life or death, as the hon. Member for Stoke-on-Trent, Central said. Should the priority be primary care centres, community hospitals or Herceptin? It is extremely difficult for the PCTs. As the hon. Member for Stoke-on-Trent, North (Joan Walley) said, the procedure is not clear.

In my remaining minute, I ask the Minister to clarify the procedure if a drug appears to work. Hundreds of thousands of women are watching this debate. They want to know what the process is and what the Government are doing to speed it up. What is the form on money should such drugs come through? As the hon. Member for Norwich, North (Dr. Gibson), who has left his seat, said, Herceptin is not the only one. We will have a raft of new drugs coming through that will probably be extremely effective, but might also be extremely expensive.

10.30 am

Sandra Gidley (Romsey) (LD): I, too, congratulate you on your new role, Mr. Bercow. I also congratulate the hon. Member for Stoke-on-Trent, Central (Mark Fisher) on having initiated the debate. It is very timely, and somewhat emotive. Everybody who has spoken is keen to see women quickly identified and treated. The question of the prescribing of Herceptin raises wider issues on the health economy, and I want to pursue those.

I do not want anybody to think that I have anything against Herceptin, but I would like to paint a context for it. Herceptin was the first monoclonal antibody drug licensed in the United Kingdom, initially to treat women with secondary breast cancer. It was approved for that by the National Institute for Health and Clinical Excellence in 2002 because trials had shown that it increased the survival rate of women with secondary cancer from 22 per cent. to 33 per cent. Not all breast cancers are helped by Herceptin. Only those that test positive for HER2 benefit, and they are often the most aggressive cancers. I shall return to that point later, because it is important in the context of testing and when women will be allowed access to the drugs.

Every year, in Britain breast cancer is diagnosed in 35,000 women, of whom 20,000 are suitable for HER2 testing and 5,000 may benefit from Herceptin. There has long been speculation about whether we should give the drug earlier, because it might have long-term benefits. That is no longer speculation, because *The New England Journal of Medicine* very recently published a remarkable paper showing that the risk of the recurrence of breast cancer could be cut by almost half. Having worked as a pharmacist in a previous life, I know about being bombarded by drug companies claiming all sorts of benefits. However, the cure rate of Herceptin is exceptional. That is probably why there has been so much excitement about the potential of the treatment—in many ways, it is justified.

I share the feeling that it is a shame that it took an individual, Barbara Clark, to highlight the issue by threatening to take Somerset primary care trust to the European Court of Human Rights. Although I am delighted that Barbara will receive the treatment, we are talking about real lives, and thousands of women still have their own battles to face. I hope that recent announcements have not raised their hopes too much.

Let me make a few more points. First, the drug is not yet licensed for use. The licensing process usually balances the efficiency of a drug against its side effects. Roche must be kicking itself for not being further ahead in the process. However, as has been said, that process is cumbersome, requiring a huge amount of documentation. When we consider the people who have suffered the side effects of drugs that have not been identified properly, we realise that that balance must be struck. Secondly, the drug has not been to NICE. Neither of those things would in itself preclude the prescription of the drug by a consultant. However, in this litigious society, many are rightly wary of prescribing a drug for an indication for which it has not received a licence.

It was all too easy in the past, as the Select Committee report highlighted, for primary care trusts to hide behind the fact that NICE was still appraising the technology and to say that they would not provide funding until the results were known. That was a process commonly known as "NICE blight". Yet that was also rubbish, for if the primary care trusts had wanted to, they could have funded those drugs. Indeed, on occasions, some decided to do so.

The odd thing in this was when the Secretary of State made a superficial and bizarre announcement that was still wholly welcome. The wholly welcome bit was the fast-tracking of Herceptin. We should have a determination on that by July 2006. However, the current record of NICE does not bear close scrutiny, since many appraisals have overrun. The bit that I found rather strange was to say that women should be able to have HER2 testing straight away. I return to my point about these often being the most vigorous and aggressive cancers. If the drug is not to be licensed until next year and NICE is not determining next year, what is the point of testing a woman only to make her then jump through endless hoops—her cancer growing all the time—while the primary care trust makes a decision? I find it morally almost indefensible that we are saying 'Yes, we will test you, but you will then have to fight a battle for the drug'.

Mr. Gray: Is the hon. Lady seriously suggesting that there could be a scientific method of knowing whether a particular woman is suitable for Herceptin but, because of the bureaucratic problems that she has described, that testing should not in itself take place?

Sandra Gidley: I am saying the bizarre bit is that we are testing women, but are then unable to treat them. We would be making women jump through all these hoops.

Despite the assurances of the Secretary of State that primary care trusts should fund this drug, the point already brought out here by hon. Members is that most are cash-strapped, and will have to make many difficult decisions about where priorities lie. That could be raising false hopes, rather than being an absolute solution.

The fact is that only around one-third of women are now tested, which is completely wrong. If we are not robust in saying that we shall give the treatment, we must question the point in letting somebody know what is wrong and just raising uncertainty. Women may be able to fund the treatment themselves, but the battles will be there. The bottom line is that some women who would be tested may not receive the drug, and will actually die. That is the point I was hoping to stress. Anything that can be done to secure funding will be wholly welcome.

I have mentioned the capacity of testing, but I also want to ask the Minister what estimate there has been of the cost, the infrastructure and the manpower needed to ensure that the system is up and running fully—and as soon as possible. Will she look into why, in some areas, the PCTs that have the lowest funding per capita—because they are regarded as being in healthier parts of the country—actually have high rates of breast cancer? Will she commit to looking into whether there is some reverse inequality happening in areas with generally high health levels yet a high incidence of breast cancer?

The total cost of funding Herceptin has been identified as £60 million. An important point is that, in 1998, the total chemotherapy budget was £60 million. Clearly, as a Parliament and a country, we need a robust debate about funding these drugs. I am in no doubt that the long-term benefits make that investment worth while. Yet the short-term problems facing PCTs that have already been pointed out mean that perverse decisions are sometimes made.

There are wider issues around NICE. It should, perhaps, be allowed to give interim approval in such cases, as in Scotland, to help to avoid the delays in the

[Sandra Gidley]

system that have just been challenged. If we could go down that route, women might not have to wait if they tested positive. On behalf of the women who will benefit, I am delighted that the Secretary of State has created this somewhat uncomfortable precedent. However, by stating that she wanted to see widespread use and the licence granted as quickly as possible, she has called into question the role of the licensing authority and the role of NICE. Those bodies were initially—

John Bercow (in the Chair): Order. I am sure that the hon. Lady is bringing her remarks to a close.

Sandra Gidley: Yes. Those bodies were initially set up to make the professional decisions—to take them out of the political arena.

There are 23 drugs in the system for cancer: some are still in a queue for consideration at the Department of Health, and the process needs speeding up. Licensing and NICE need to be streamlined without compromising patient safety. Most importantly, we need to have an answer to the question of where the funding will come from.

10.40 am

Mr. John Baron (Billericay) (Con): May I add my congratulations to you, Mr. Bercow, on your elevation to the Speaker's Panel?

I shall start by congratulating the hon. Member for Stoke-on-Trent, Central (Mark Fisher) on securing this timely debate, and other hon. Members on their heartfelt contributions. We all have families in our constituencies to whom this issue matters a great deal. The debate has raised a number of serious questions that the Government need to answer.

It has long been apparent that the postcode lottery in cancer health care is not a scare story put about by the media, but a reality that must be addressed. Last year, the cancer tsar, Mike Richards, confirmed that fact by denouncing the unacceptably high variations in cancer treatments. A survey by CancerBACUP published in 2003 measured the extent to which a postcode lottery existed for the drug Herceptin, despite the drug's undoubted merits and efficacy. Some 61 per cent. of women in the south-west had access to the drug, compared to a shameful 14 per cent. in the midlands. Those figures were updated recently by a study cited in *Clinical Oncology*, which last year confirmed the extent of the postcode lottery when it came to Herceptin. It showed that 16 per cent. of eligible women in Essex were prescribed the drug, compared with some 90 per cent. in Dorset.

Why does that postcode lottery exist? Part of the reason is that although primary care trusts no doubt want to prescribe Herceptin and many other drugs, they are unable to do so because of the financial deficits that many of them now face. That issue has been raised time and time again by hon. Members in debates such as this. The situation seems to be getting worse rather than better. We in the Opposition contend that the Government's 300-plus targets have spawned a massive bureaucracy, which has soaked up a lot of the new money that has undoubtedly been put into the NHS. That bureaucracy has prevented a lot of that new money reaching front-line services, including drug delivery.

International comparisons are revealing. In the cancer plan 2000, it was claimed that, by 2010, the UK's survival rates in relation to cancer mortality would be comparable with the best in Europe. However, the truth is that the UK remains in the bottom third of the European cancer mortality league table. If the UK matched the European leaders in respect of cancer mortality, as many as 23,000 to 25,000 lives could be saved.

A key reason for our poor survival rates is that Britain lags considerably behind many of our European neighbours when it comes to the uptake of new medicines for the benefit of cancer patients. A very interesting and recent report by the Karolinska institute and the Stockholm school of economics found that, despite the proven benefits of new treatment options, patients across Europe did not have equal access to new drugs. Of the 19 countries surveyed representing something like three quarters of the population of Europe, the UK lagged well behind, in good part because of financial considerations and pressures.

The postcode lottery in Herceptin also exists because of the Government's ambivalence to NICE. NICE should have a crucial role to play in appraising drugs for the benefit of patients, with the minimum of delay. It should be at centre stage in the Government's efforts to allow patients to benefit from the latest technology, treatment and drugs. However, the Government have recently cut NICE funding by £3 million, forcing it to scrap one of its appraisal committees. Does the Minister not agree with me—and with CancerBACUP—that it is unacceptable, with all the extra billions being put into the NHS at the moment, that 23 vital cancer treatments have been subject to long delays before being made available to the NHS? In September, NICE submitted its recommendations for reform of its procedures. Will the Minister publish those recommendations and set a timetable for the Government's response in order to try to eradicate the postcode lottery?

It is equally unacceptable that NICE, which was set up to stamp out postcode lottery inequalities and to ensure that patients have rapid access to the best available treatments, is having its guidance ignored by NHS bodies because of financial pressures. How are the Government going to address that issue?

The Opposition have consistently called for NICE to be given the support that it needs to achieve, primarily, two objectives. The first is that appraisals for new drugs are, where possible, considered with their original licence applications, so that the unacceptable delay between drugs being licensed and being approved by NICE are removed from the system. I welcome the Government's consideration of that. The second objective is that resource implementation assessments—the issue of NICE's funding has been raised by several hon. Members—are conducted alongside NICE appraisals to ensure that NHS bodies implement NICE guidance with the necessary resources.

A third strand of our thinking is that it is wrong that although appraisals have statutory backing, NICE guidelines do not. NICE would be at centre stage in our proposals for the NHS, and guidelines would be given

statutory force. The targets now set by politicians would be replaced with standards set by medical professionals through NICE. That would ensure that money soaked up by bureaucracy because targets need measuring would be released for the benefit of cancer patients and of drug delivery.

The question of the availability of Herceptin for early-stage breast cancer crystallises a number of issues. The Secretary of State's announcement in the summer about the decision to fast-track NICE's appraisal of Herceptin is to be welcomed, but it is still likely to be many months before Herceptin is widely available for women with early-stage breast cancer. Many women who have already been diagnosed with breast cancer simply do not have time to wait until the licence and approval processes are completed next year. They need Herceptin now. According to Breakthrough Breast Cancer, experts estimate that about 1,000 lives could be saved every year if Herceptin were available to treat early-stage breast cancer. It is possible for women to be prescribed Herceptin prior to its licensing if their PCT agrees to fund it and the patient's doctor retains clinical responsibility.

As we have heard, on 25 October the Secretary of State stated—perhaps because of the Barbara Clark case—that PCTs should not refuse Herceptin solely on the ground of its cost. Two days later, she seemed to go further by suggesting that all PCTs will be directly informed that they are now required to fund and prescribe Herceptin to treat early-stage breast cancer when there is a clinical need to do so. The Secretary of State's intervention is all-important, yet, as we have heard from many hon. Members, it is causing confusion. Will the Minister clarify the situation? Is the Secretary of State obliging PCTs to fund Herceptin when it is prescribed even if that means diverting resources that are already intended for other services? If so, what assessment has been made of the services that will suffer as a result of finances being redirected to achieve that directive?

Will the Minister tell us how many trusts are in a financial position to take up the Secretary of State's instructions? She must be aware that many PCTs have financial deficits. A British Medical Association survey suggests that three out of four PCTs face deficits. As the hon. Member for Stoke-on-Trent, Central said, the Secretary of State cannot hide behind PCTs on this issue. She seems to be placing obligations on PCTs without providing the resources to enable them to meet them. Does the Minister agree that the Secretary of State's comments are an admission that the licensing and appraisal processes are taking far too long? What is the point of NICE if the Secretary of State is just going to bypass it?

Those questions need to be answered because the Secretary of State's intervention has caused confusion. If it is a directive, many PCTs cannot afford it, while the treatment may not be prescribed because it is unlicensed and NICE seems to be left on the sidelines. If, on the other hand, the comments did not amount to an instruction, what were they meant to achieve? The uncharitable view might be that the Secretary of State was simply responding to media pressure, as PCTs already know they are free to fund the drug.

There has been no shortage of evidence from respected charities in the country, well known bodies and think tanks internationally, and from hon. Members in this debate, that a postcode lottery in cancer drugs exists. The Government are to blame because they have failed to reform the way in which NICE operates and have created a situation in which PCTs are unable to implement its guidance in many areas because of financial pressures. I hope for the sake of the many women who are anxiously waiting for Herceptin to be made available to them that the Minister directly responds to the questions other hon. Members and I have asked today.

10.51 am

The Minister of State, Department of Health (Jane Kennedy): May I add my voice of congratulation to you, Mr. Bercow? I think that you should have made, and deserved to make, a longer contribution from the Front Benches—albeit the Opposition ones. I will miss you from that point of view, but I look forward to serving under you in debates of this nature. May I also congratulate my hon. Friend the Member for Stoke-on-Trent, Central (Mark Fisher) on giving us the opportunity to debate this issue today?

The hon. Member for North Shropshire (Mr. Paterson) asked me to clarify the procedure. That would take longer than the nine or 10 minutes I have available. So, if he will permit me, I will write to him, not only about the procedure as it stands, but about the thinking that I am engaged in about how we can streamline the process, not only for drugs but for future treatments. I will copy that to all hon. Members who have participated in this morning's debate.

Herceptin has received an enormous amount of publicity and I am therefore grateful to be able to clarify the action that we are taking and to respond to some of the issues that have been raised. I intend to address the points about funding and the NICE procedures if I am given the opportunity.

We are committed to ensuring that all breast cancer patients are given the best possible chance of a successful outcome. To achieve that, we streamlined the diagnosis and treatment of breast cancer, so that more than 97 per cent. of women with breast cancer receive their first treatment within one month of it being diagnosed. None the less, when the hon. Member for Billericay (Mr. Baron) draws attention to the UK's position in the league tables, he is right to point out that there is still more to do. I would not necessarily agree with much else of what he said, but I take on board his questions and I will seek to answer them.

I am grateful for the acknowledgement from my hon. Friends of the steps that we have taken to address this problem. We are committed to ensuring that all breast cancer patients get the best possible treatment and care. Of the estimated 20,000 women who receive adjuvant chemotherapy, 5,000 will be HER2 positive and could therefore benefit from treatment with Herceptin.

Mark Fisher: Will the Minister address the point that not everybody has been tested to see whether they are HER2 positive? That is one of the central issues of this debate.

Jane Kennedy: I absolutely accept the point that my hon. Friend makes and I will come to that, if he will allow me.

[Jane Kennedy]

My hon. Friend the Member for Stoke-on-Trent, North (Joan Walley) said that she felt that some people may have missed the opportunity to be tested. I reassure her that people can have the test at any time. The tumour sample is kept and can be tested. However, I acknowledge that the problem is the point at which the treatment begins after the testing.

It is important that we take care not to give the impression that the drug is suitable for all or even most women with breast cancer. It is also linked to serious cardiac problems, and I know that that was acknowledged by other contributors to the debate. Nevertheless, as has been repeatedly said, the early evidence of effectiveness in women who do fit the category is very strong. That is why we acted in response to that evidence.

To ensure that we can identify all the women who can benefit from treatment, we have asked professor Professor Mike Richards, the national clinical director for cancer, to ensure that HER2 testing is available across the NHS as soon as possible. He has already met with the directors of the 34 cancer networks and that move has been enthusiastically welcomed by them. The manufacturers of Herceptin have not yet applied for a licence—that point, too, was made. The Government play no part in the licensing process—we cannot intervene—but we have urged the manufacturer to apply for a licence as quickly as possible. However, I appreciate that the company is taking time to ensure that it gets the details of the licence application right.

A number of hon. Members, including my hon. Friend the Member for Norwich, North (Dr. Gibson), who has left the Chamber, asked why we are bothering with licensing or the NICE process. I urge hon. Members to bear in mind that the number of people with early breast cancer is much larger than those with late-stage cancer, and that the side effects are potentially much more serious when compared to the likely outcome.

That question will be addressed by the licensing process, not the NICE process. However, NICE will consider a complex range of factors, including cost-effectiveness, which is an important consideration when introducing an expensive new treatment. I strongly support the NICE process. I hope within a few days to be able to go into detail about the work that we are doing with NICE. I am considering proposals for a faster technology appraisal process for important new drugs, not only for Herceptin, so that NICE can offer the NHS guidance on their clinical worth and their cost-effectiveness closer to the time of licensing. I am grateful to NICE for that important work.

The Secretary of State has asked NICE to begin its appraisal of the use of Herceptin for early-stage breast cancer as soon as possible; indeed, that process has begun. As a result, the appraisal of the treatment will run concurrently with the licensing process. If the licence is granted, NICE guidelines can be issued shortly afterwards.

We now come to the nub of the matter. A number of women being treated for early breast cancer could benefit from Herceptin. I accept that. The Minister of State, Department of Health, my hon. Friend the Member for Doncaster, Central (Ms Winterton), met representatives of the women fighting for Herceptin on 22 September. My hon. Friend and I are in close touch, and we will be communicating by way of a NHS circular exactly how we expect PCTs to respond to patients whose clinicians believe that they would benefit from Herceptin.

It has been said many times that the Secretary of State has announced that PCTs should not refuse to fund Herceptin on cost grounds alone. What does that mean? It means that there has to be a medical reason for the medicine not being prescribed. That reason ought to be communicated to the patient and her clinician.

Joan Walley: Is the Minister saying that if there is a medical reason for prescribing it, she would wish PCTs to fund it? If so, she must pay attention to the need for additional funding—or even emergency funding—in this financial year.

Jane Kennedy: My hon. Friend has raised that question before. Indeed, as a result, I began to look at the circumstances that have given rise to genuine anxiety among our friends in Stoke and elsewhere. I want my constituents, too, to be able to gain from the potential benefits of Herceptin. We are continuing to look at the situation.

As for funding, my hon. Friend knows that we have passed to the primary care trusts the resources that used to be held centrally. We have seen big increases going to the primary care trusts as a result. However, if PCTs are having specific cost problems, they need to talk to their strategic health authority. I want to know if primary care trusts are making blanket decisions to refuse funding for Herceptin on the ground of cost alone. I will need to examine the circumstances surrounding such cases.

Mr. Baron: Time is short, but will the Minister assure the House that she will respond to our questions in writing?

Jane Kennedy: Of course, I intend to do that, but only the pressure of time has forced me to reduce my comments to the minimum. I hope to have reassured all those who have participated in the debate—

Planning (Northern Ireland)

11 am

Sammy Wilson (East Antrim) (DUP): I am grateful for the opportunity to debate an issue that is of increasing importance in Northern Ireland. I am grateful, too, that the Minister is in attendance this morning. I know that I have dragged her away from the fair shores of Northern Ireland, which she left yesterday. She is rushing back again, so keen is she on the place, but she has come to respond to the debate.

All public representatives are finding that levels of satisfaction with the Northern Ireland Planning Service are falling. That dissatisfaction is experienced not just by those who make applications, but by objectors to applications and those who simply have an interest in the planning system. The two greatest concerns are delays in the planning process and lack of accountability. Those two problems go hand in hand. The lack of accountability has resulted in a lack of urgency in the planning process and a lack of response to the increasing criticisms of the process.

I want to deal first with delays. Delays occur in the processing of planning applications, in the production of policies and in the bringing forward of area plans. The Planning Service suffers from more delays than British Rail on a bad day—and it probably comes up with as many excuses, too. Those bringing forward major developments now build in a minimum of two years for planning permission, and most housing association schemes take up to one year for the planning application process to be completed.

As to what some stakeholders and players in the system have said about the planning system in Northern Ireland, Tesco described it as "wading through treacle". Banks now put planning risk as a major financing risk to any scheme—significantly, it now ranks above political instability. One of the large private developers in Northern Ireland, CUSP, claims that the planning process is extremely slow, to the extent that development opportunities are being put at risk or missed altogether. In a recent report, Investment Belfast estimated that in excess of £1 billion of property investment has been lost to Northern Ireland. It has flowed into Great Britain, instead. That is equal to about 15,000 full-time construction jobs. The Northern Ireland Independent Retail Trade Association described the system as a farce and a shambles, and William Ewart Properties Ltd recently invested in three GB-based shopping centres because of the uncertainty and difficulties in getting planning permission in Northern Ireland.

That all comes at a time when, rightly, the Government are seeking to wean Northern Ireland from dependence on the public sector, yet the opportunity to create jobs in the private sector is being held up by major impediments in the planning process. It is clear from the examples that I have given that economic development and job promotion are being held up, and that the planning process is responsible for a shortfall in economic growth in Northern Ireland.

Delays in the planning system are not just manifested in the slowness of the divisional planning offices in assessing and processing planning applications. There is another major delay in bringing forward policies and area plans. That creates greater uncertainty, because planning then takes place in a vacuum. Those who are objecting do not know the status of certain areas and those applying do not know the ground rules.

The Belfast metropolitan area plan, which covers two areas in my constituency of East Antrim—Newtownabbey and Carrickfergus—was meant to replace the Belfast urban area plan, which is in itself 10 years out of date. The Belfast metropolitan area plan has been five years in the making. The draft was finally published at the end of 2004. It is now going to be subject to a public inquiry, and it could be 2009 before it is adopted. We could have 14 years of no formal plan for the Greater Belfast area.

That turgid document—that is all one can describe it as, because it lacks vision—and its technical support stand 3 ft high. I am not so sure that it is a useful document for anyone who applies. Indeed, a document that is as prescriptive as that one in itself creates difficulties, which is one of the problems with the way in which area plans are drawn up.

The damage that tardiness in advancing planning policies can do could not be illustrated better than by the disgraceful way in which successive Ministers have handled the review of planning policy statement 5, which deals with retail planning policy in Northern Ireland. The guidelines have now been under review for five years. That review was greatly needed because, after several judicial reviews and other legal challenges, PPS5, which was meant to protect town centres, was so watered down that it was almost meaningless and certainly did not protect town centres.

The work started in autumn 2000. The original research was carried out by Roger Tym and Partners, who were the authors of the successful policy that limited superstore development in the Republic to 30,000 sq ft. The report, which was published in February 2003, indicated that the Northern Ireland food market was reaching saturation point, with growth down from 1.28 per cent. to less than half that figure. Obviously, that did not suit some people in the Department, because at that stage there was an influx of major food retailers such as Tesco, Sainsbury's and Asda into Northern Ireland.

There was therefore a delay in submitting the document for public consultation. It was available in September 2004 and was to go out to consultation in November 2004. The then Minister, the right hon. Member for Warley (Mr. Spellar), decided that there would be a further delay while he consulted another Department. It was promised that the consultation would start in February 2005, but we then had an election, so it was delayed for that. Since the election, however, there has still been no sign of it. The document was delayed, but it now seems to have fallen off the radar completely.

The planning vacuum that has occurred as a result has created dangers for many provincial towns. Let me give one example. Enniskillen, a town in the west of the Province, with 17,000 people, currently has four applications for food superstores. I know that they will not all be granted, but if they were, there would be another 7 sq ft of retail shopping for every man, woman and child in the whole of County Fermanagh. That creates uncertainty for investment in Fermanagh, but

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it also creates frustration for those who have applied, because there is no clear policy on which of the schemes are most likely to be successful.

Some people argue for a moratorium on the processing of applications until the new PPS5 is in place. I do not support that call, because I believe that it would only prolong the uncertainty about investment in town centres and would stymie some schemes that would benefit the economy of some provincial towns. Rather than having a moratorium, the obvious answer is simply to produce the policy, to put it out to public consultation, to get it adopted, to start applying it and to inject some certainty into the planning regime.

I believe that other planning documents require revision, but one that concerns me in particular is PPS2, which deals with planning, nature conservation and the protection of natural habitats. It is quite clear that the statement is not up to date and is not strong enough. In my constituency of East Antrim, I have seen builders deliberately tear out old field hedges and take down copses, even when those have been marked on maps as features that must be preserved. There seems to be little or no protection. In large housing developments, much of the landscaping that is required as a result of the quality development requirements is unimaginative. It often resembles the landscaping that we would expect from a garden makeover, rather than integrating naturally into the environment.

The Woodland Trust has estimated that about 40 hectares of native trees need to be planted in the Larne area to meet the standards in "Space for People". Rather than allowing the unimaginative landscape schemes that are accepted at present, we should make provision to create quality open space by planting woodland, particularly on large housing developments, which can tolerate planting because of their scale. That would also go a long way towards meeting the demand in "Space for People" for woodland access within two miles of where people live.

There are many creative ideas from developers and groups such as the Woodland Trust, and those should be considered in the review of PPS2. It is significant that the members of the working group that was set up in May 2004 have not been called together since. That is another example of the lack of urgency in reviewing policies.

The problem seems to be that the planning system finds it difficult to cope with the current volume of planning applications, to the point that those people who would be involved in drawing up policy are now allocated to development control. That means that policy development has been all but forgotten.

What has caused this problem of delay? Why is the planning system grinding to a halt in that way? The planners blame everyone but themselves, and the excuses that have come from the planning system mimic those that we got from British Rail for the delays to trains. The latest culprit to be identified is councils. We are told they are responsible for the delay, that they defer applications, that they send them to the management board and that they are irresponsible. Under "Modernising Planning", therefore, councils will be limited to one deferral of a planning application, regardless of the reason for that deferral.

I know that some councils are irresponsible and defer a planning application when they do not know what to do with it; they send it to the management board to pretend that they are doing something. I was the chairman of the Belfast city council planning committee for many years, and we would have sent an application to the management board as a last resort. We had a self-denying ordinance that, where the council did not show that it was delaying or deferring an application for good reasons, the committee would take the application out of its hands and push it through the system. However, such councils will be punished, because the planning system wants to find a scapegoat. That will not speed up the planning process, because most of the planning applications about which people complain come to councils only a year and a half after they were first made.

The other reason that there has been a delay is that no such restrictions are placed on statutory consultees such as the Roads Service, the Environment and Heritage Service, the Water Service and the landscape division of the Department of the Environment, which can, and often do, delay a process for as long as they want. To save time, I shall give hon. Members just one example, involving a planning application by one of my constituents, who lives beside Belfast lough. I do not know whether this has anything do with the debate, but I got a call from the Environment and Heritage Service yesterday, saying that, after two years, it had finally sorted the matter out. I hope that that illustrates the power of Parliament, but I shall wait to see. If I have planning difficulties in future, however, I might apply for another debate; that might be the way to get things done.

The building of Carrick marina changed wave patterns, and the sea wall that bordered my constituent's property was starting to wash away. Every week, he was paying builders to shore it up to stop it and his garden being washed into the lough. He needed to build some armouring, which would have extended 4 ft on to the beach and run 100 yd along it.

One of the consultees, the Environment and Heritage Service, rightly took an interest in the matter, because Belfast lough is a special protection area. Over two years, however, the service asked him to do survey after survey. First, he was asked to do a survey of the ducks and seagulls—a bird survey. When that was done, he was asked to do a seal survey. It then asked him to do a worm survey—the service called it a benthic invertebrate survey, but I think that means worms. After that, he had to do a model of coastal dynamics to show the macro-effects of the development on the whole north shore of the lough—the whole north shore of the lough stretches for about 15 miles, and he was going to do some work on 100 yards. He was then told that he was going to have to do a bird-nesting survey. I think that the only survey they did not ask him to do was on the impact on global warming—and had it not been for this debate, he may have been asked to do that.

My constituent spent more than £9,000 on those surveys. He was happy to do so, if that was what was required. However, if the Environment and Heritage Service knew at the start that those were the areas it was concerned about, why did it not ask for surveys on them to be done all at once? Why did it ask for one after another over two years? During that time, he was spending money shoring up the wall. The irony is that,

had the sea wall come down and the garden been washed on to the beach, it would not have impinged on to 4 ft of beach; it would have washed across a much larger area.

I will not bore hon. Members by giving further illustrations; I am sure that they could give many similar illustrations. However, I could provide further illustrations on the Roads Service, the Water Service, and the landscape division of the Department of the Environment. There does not seem to be any curtailment on how long consultees can hold the process up.

Another explanation that has been given is that the number of applications received by the Planning Service has jumped greatly, and that is true. However, that is also true for councils, which have to deal with the building control aspects of any planning application. The odd thing is that, during the period of the increase in planning applications, councils' building control departments have reduced their waiting lists and times, whereas the length of time it takes the planning system to deal with planning applications has increased dramatically.

The Minister authorised the employment of 120 new planners—she can correct that figure if it is wrong—to supplement those already employed, and to move people off area plan teams and policy making in order to try to deal with the backlog, yet the problem has still not been dealt with. One of the reasons for that is that, although additional planning staff have been introduced, the bureaucracy of the planning system has not been dealt with. It grinds slowly and frustrates the public and their representatives.

One of the major sources of delay in recent times has been the practice of sending planning applications back as invalid. I do not know if architects are getting worse, or if, as a result of ageing, they are becoming senile, but I cannot understand why that is happening. Architects' applications used seldom to be declared invalid, but now there is suddenly a big jump in the number of invalid applications. That has added delay to the process.

I dealt with one such application in my constituency. A group that had got temporary permission simply photocopied and sent in the same application as the previous year—an application that had been processed and given permission—and it was sent back to them as invalid. I could not find out what the reason for that was, and neither could any members of the group. Once I started making inquiries, it was determined that perhaps it was valid.

One architect who knew about this debate sent me a letter on five applications he had submitted. All of them were initially returned as invalid, but were subsequently passed after a period—one after a year—without any amendment to the documentation or plans. That is another issue that the planners need to address.

The second problem is one of accountability. I will deal with only one aspect of that, because I know that I will probably have a disagreement with my hon. Friend the Member for Lagan Valley (Mr. Donaldson), who is sitting beside me. Planners have decided that they will consult councils even less than they did in the past. In Northern Ireland, councils are only consultees. They are not the final authority on planning decisions. It rests with the civil servants. So there is a lack of accountability already. We have no chance to question the Minister who makes the decisions directly, although I am sure that the Minister who is here this morning will do an excellent job in responding, because he is a member of the other House. As a result, the channels and communications required for accountability are being stretched.

One case study that illustrates that lack of accountability was the decision to permit John Lewis to locate at Sprucefield along with 20 other retail units on the site. I am sure that my hon. Friend will wish to say something about that. The Minister made that decision fairly quickly when he took office and has explained his position by saying that the decision was "a no-brainer". That major planning decision, which will have an impact on Lisburn town centre, on Belfast and on a number of other town centres was put through.

Many people in Northern Ireland welcomed the fact that at least the Minister was prepared to make a decision, even though it was controversial and opposed by many. But one would have expected at least some explanation of why that decision was made, especially as, when the Minister was the Minister for Regeneration in the Office of the Deputy Prime Minister, he stated:

> "But allowing the market to do what it likes risks severe economic, environmental and social consequences—because investment will tend to gravitate to honey pot areas like affluent suburbia or the edge of towns. Having to burn a pint of petrol to buy a pint of milk . . . because retailers haven't chosen to locate in your area makes no sense whatsoever."

What was the Minister's first decision when he reached Northern Ireland? He granted an application for one of the largest out-of-town shopping developments in the United Kingdom. It may well be that, when he crossed the water and changed Department, he changed his mind. That is fine, but an accountable planning system ought at least to have had a mechanism to explain that change of heart, especially when it was opposed by a wide range of interest groups. That did not happen. It goes against all the policies on urban densities, sustainable communities, public transport and social exclusion, yet we had no explanation from the Minister.

I want to describe some of the things that could be done to improve the current situation. First, there must be an immediate publication of PPS5 and an agreement to update the other planning policy statements that are out of date and causing problems, including PPS2.

Secondly, consultees must be put under pressure to respond much more quickly than they do at present, as they are one of the major reasons for planning applications being held back. Whether that is by means of a service level agreement, an indication that, if representations are not received within a certain period the application will be determined without them, or some other arrangement, should be a matter for debate. One set of consultees—those who are at least allowed some public accountability—should not be restricted in how long they can delay planning applications while statutory consultees are given carte blanche. That is what happens at present.

Thirdly, in parts of England, planning applications have been speeded up by the establishment of business planning zones, where economic clusters are established and where decisions are made quickly on a basis of established planning principles which have been laid down. We should look at that in Northern Ireland, too. Fourthly, additional resources could be made available

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to the planning system if developers were given assurances that their applications would be fast-tracked if they provided additional resources to buy in some of the expertise that might be needed to do economic impact or environmental assessments, which the planning system does not have the resources to do at present. Some people would say that that compromises the planning system. However, if it were simply a case of developers handing over money to the divisional planning office or the Department for Regional Development to buy in the services, there would be no conflict of interest and it might speed things up. How often have I rung planners who say, "We can't process this because the person who is meant to be dealing with it is working on another job"? If additional resources could come from developers, why not? Many developers would be prepared to provide that, because a quick decision would be less costly than the delay that happens at present.

Fifthly, the process of drawing up policies must be reviewed. The Belfast metropolitan area plan, which many people welcomed at the time, was subject to massive consultation—about four years of consultation. Then when the draft plan was drawn up, what did we get? We got 9,000 objections, which will go through a legal process. Either the consultation method is wrong or the legalistic nature of what happens after the draft plan is published is wrong. One thing is certain: we cannot go on with the present arrangements, which drag things on for ever.

With certain safeguards, planning powers could be devolved to councils. I hope that that will happen under the review of public administration. Other hon. Members may want to comment on that.

It is significant that until 2002 the Planning Service carried out customer satisfaction surveys. In 2002, it decided that it would aim for 80 per cent. of applicants being satisfied with the way in which their planning applications were determined; that was the target. The figure for the previous year was 64 per cent. The service sent questionnaires to 1,200 applicants. However, only 61 per cent. of respondents indicated that they were satisfied with the service. Rather than going up, the figure went down. The Planning Service promptly decided not to do any more surveys. That is one way of ensuring that there is no dissatisfaction, or at least that it is not expressed. It may indicate the uncertainty that the planners themselves feel about the way in which they deal with planning applications.

I am sure that other hon. Members want to make contributions. I look forward to hearing them and the response from the Minister.

11.28 am

Dr William McCrea (South Antrim) (DUP): I thank my hon. Friend the Member for East Antrim (Sammy Wilson) for bringing a very important issue before this Chamber today.

The Minister will know that there is great dissatisfaction in local authorities about the new arrangements for consulting councils. In fact, there is great anger and frustration at the manner in which the present Minister decided to remove site meetings from councillors. I would rather have five minutes in a site meeting with an officer than an hour in an office to talk about a planning application. The decision furthers the democratic deficit that is felt in the Province. The anger and frustration felt by many elected representatives certainly has been, and will continue to be, expressed until the new policy of so-called modernising planning arrangements is changed.

My hon. Friend touched on the issue of statutory consultees. A constituent of mine put in an application for one simple dwelling in the countryside in 2002. The matter was delayed and he got approval in August 2005 for one simple dwelling for his family in the countryside. There was an intervention by the EHS: it put in an objection to the application. A year was taken to respond and then the Department decided that it would consider approving the matter. The EHS was asked for a further letter and it wrote back with the same letter that it had sent a year before. The Department has seemed able to hold back such applications. Had the matter not been deferred, that person would have had a refusal even though he should have had an approval right at the beginning. His application went in in 2005, but it was approved only in 2005. That is totally unacceptable; it was totally in the power of the Departments to deal with the matter. The delay was completely down to them.

The removal of proper consultation with district councils and site meetings with district councillors is not only greatly to be regretted, but should be strongly opposed by elected representatives. However, it seems that statutory consultees can keep back planning determinations for as long as they want.

Many area plans are in total chaos. My hon. Friend the Member for East Antrim mentioned his area, and there is also the situation in Antrim. The officials have been removed from the Antrim area plan because of 5,000 objections to the Magherafelt area plan. The officials have just been moved over to another area plan, bringing a full stop to the plan in Antrim.

The lack of appropriate and proper officers is a problem. The Minister employed more officers to deal with the plans, but the tragedy is that many senior officers retired from the system. Junior officers were brought in their place, but many were totally inexperienced in planning, so the delays happened. We need proper planning arrangements that are effective and realistic.

The area plans that are in total chaos need to be dealt with. For example, the Assembly made a great announcement; Mr. Empey came to South Antrim and told us that the jewel in the crown of all industrial bases was going to be a global point in Newtownabbey. Yet many years later, not one building has been put on to that jewel in the crown for industrial development. I asked the Minister why there had been a delay. What answer did I receive the other day? He told me that we had to wait until the Belfast metropolitan area plan was published before anything could be done. That global point was supposed to be the jewel in the crown, but the jewel must have fallen out because the situation is going nowhere. That is disgraceful. The place is decaying and what ought to be the jewel in the crown of industrial development is sitting in absolute disarray and decay because of the delay in, or our waiting for, the Belfast metropolitan area plan. That is totally unacceptable.

Did those responsible not know about that plan when they came down to make that precious announcement about the jewel in the crown, which gave the community great hope and anticipation of great industrial things? Yes, they did—but there seems to be delay upon delay upon delay.

I wholeheartedly agree with my hon. Friend the Member for East Antrim on the publication of the retail planning policy. That is an absolute necessity. The policy is already decided; it is sitting on the shelf, gathering dust, and that will be a major impediment to appropriate retail development in Northern Ireland. I am not entering into the debate on the John Lewis stores, because they have nothing to do with me. However, I am saying that my developers and the people in my constituency are demanding that that retail planning policy should be released. If there is a planning situation or court proceedings are in the offing, that is no reason whatsoever for everything else to draw to a stop and for the document not to be published. There is a demand for it to be published.

The Minister and the Department have to deal with one of the major problems in planning: a lack of consistency in planning approvals and in the reasons for planning refusals. That has brought more disrepute to the Department than anything else. Not only do matters go outside divisional planning offices or areas, but inside areas there are variations in decisions, approvals and the reasons for approvals

Let us consider one of the reasons for refusing build-up. Beauty is in the eye of the beholder. One officer can see build-up, while another officer goes into the same area on another day and accepts that there is no build-up or lack of integration. One officer sees trees, while another sees a bush, as a result of which one gives approval and the other refuses. An officer might not have the guts to say that what was happening was ribbon development so he says instead that there was tendency towards ribbon development. I asked several officers at the Department what that meant and each of them gave me a different interpretation. We are dealing with a sensitive problem and the lack of consistency in planning approvals or refusals brings the whole position into disrepute.

As for the Crosshill inquiry, there is great opposition within my constituency in respect of the approval for the asbestos transfer station in Crumlin. The constituency of my hon. Friend the Member for Lagan Valley (Mr. Donaldson) runs alongside mine and our constituents are bringing their problems to our attention. The Minister who is here today made the decision about the station. The questions asked by those in our communities have not been answered. A decision cannot railroaded over the heads of the people. Members of the general public need to accept that decisions are made for the right purposes. The Department says, "We have to have an asbestos transfer station somewhere." I accept that, but it must be situated in the right place, not beside Lough Neagh nor in an area that is zoned for housing and population growth. The station will be a hazard to the well-being of our community. The matter will have to be taken to a judicial review, because the decision was forced over the heads of members of the community.

Let us consider the Cottonmont landfill site. It is to take most of the community's rubbish, but it will be situated beside a private development. Approval has been given for many houses to be built on the verge of the area, yet the problems of birds, litter, smell, infestation of rodents, additional traffic beside a school and numerous other hazards will have a detrimental environmental impact on members of the community. The decision has been forced on them. The response is, "Well, the site has to go somewhere". I agree that a landfill site is necessary, but we must ensure that it is situated in a proper place. The community is again forced into the position in which it must go to court to achieve a judicial review of what is happening. The Department is irresponsible. Such action brings the right of third party appeals closer.

Many people in the community consider that decisions are being forced on them. Rights are being given to developers and to others, but no one has a right to appeal against the decision without going to a judicial review. That does not apply in all cases, but what is happening shows that certain cases need to be dealt with by the Department.

We have a serious problem with planning in Northern Ireland. I say to my hon. Friend the Member for Lagan Valley that I do not accept that developers have more rights than individuals, just because they have the money and can get matters speeded up. Everyone should be equal under the law and equally subject to the law. I am a great adherent to the principles of the Democratic Unionist party, and I fear that developers are given more rights because they can pay. Naturally, they will be able to pay the money if they receive approval quickly for their developments. I do not want to remove their rights, but I am putting up a marker because individuals with one little planning application in the countryside should have the same rights as everyone else. They have a right to demand approval or to object if they believe that something is against their rights.

I congratulate my hon. Friend the Member for East Antrim on securing this important debate and I will now let other hon. Members to speak. I trust that the Minister will take note of the points that have been made and, if he cannot reply to them today, that he will write to hon. Members with answers to their questions.

11.40 am

Mr. Jeffrey M. Donaldson (Lagan Valley) (DUP): I, too, congratulate my hon. Friend the Member for East Antrim (Sammy Wilson) on securing the debate. He made an excellent speech, laced with his usual good humour, and demonstrated a strong grasp of the relevant issues.

I want to draw the Minister's attention to the regional development strategy for Northern Ireland, especially the housing growth indicators within that strategy. Under the Belfast metropolitan area draft plan, those housing growth indicators were set at 20 per cent. growth for the duration of the plan period. The figure of 20 per cent. is too low and fails to reflect the housing growth that will be required in the Belfast metropolitan area over the plan period. As my hon. Friend said, given the likely further delay in processing the plan, which may not come live until 2009, the figure needs to be revised. Recently, the Planning Appeals Commission at the inquiry into the draft North Down and Ards area plan conceded that point and accepted that the target

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for that area's housing growth was inadequate. The principle having been conceded, the Department and the Planning Service need to reconsider and to revise the figure for BMAP.

In the light of my hon. Friend's comments, I ask the Minister to clarify the likely time scale within which it is intended to hold the public inquiry into the Belfast metropolitan area draft plan. When is it intended that BMAP will be adopted? What is the target date for adoption of BMAP and its implementation?

I want to mention briefly some of the consequences of the current BMAP process. Primarily, there is concern in my constituency about the joint ministerial statement by Lord Rooker, the Minister of State for Northern Ireland, who is responsible for the environment, and the Under-Secretary of State for Northern Ireland, the hon. Member for St. Helens, South (Mr. Woodward), who is responsible for the Planning Service. That edict caused great concern especially in rural areas in Northern Ireland. There is a proposal in the draft BMAP plan to extend the green belt in rural areas. Planning applications that were already in the system, which pre-date the publication of BMAP, although they met all the planning policy guidelines, were refused on the ground of prematurity because the area where the site was located would potentially form part of the green belt. That is grossly unfair.

Applicants, in good faith, submitted a planning application and found themselves caught, sometimes because the planning process had resulted in significant delays for those applications. A few weeks could have made all the difference between getting an approval and finding that their application was suddenly refused, purely on the ground of prematurity. I say, with respect, that the Department needs to look at the issue again in the interests of fairness and to revisit the issue of the joint ministerial statement. It is unfair that people have been disadvantaged in that way.

The strongest objection to the draft BMAP plan came from the residents of Drumbeg in my constituency. Some 1,000 objections were lodged against the proposal for a cemetery and crematorium on the edge of the Lagan Valley regional park. The former Secretary of State for Northern Ireland, the late Mo Mowlam, took time out to walk the Lagan Valley regional park with me. Her intervention strengthened the safeguards for that valuable open space, which is important not just to my constituents in the city of Lisburn, but to the city of Belfast.

However, there is now a proposal to locate a huge cemetery and crematorium in the expanded boundaries of the Lagan Valley regional park. There is a proposal under BMAP to extend the boundary of the regional park to include the area around Drumbeg. In the same draft plan, there is a proposal to create the cemetery and crematorium within that space. There is outrage in the community about that proposal and total opposition to it. I urge the Department to take that on board and, in revising the draft plan, to drop the proposal for the Drumbeg cemetery and crematorium. I accept that there is a need for a new facility, but surely not in the Lagan Valley regional park. We need to protect the open space that we have in the Belfast metropolitan area, which is a valued asset that should be conserved and preserved for future generations. That is the wrong way to go about it.

My hon. Friend touched on the sensitive issue of the proposed development of the John Lewis store at Sprucefield. I understand why, representing his constituents as a councillor in Belfast, he takes the view that he does, and I respect that. However, having said that, the decision on the John Lewis store is one example of how the planning system—whether one agrees or disagrees with the outcome—got it right in terms of fast-tracking a major investment proposal for Northern Ireland.

The John Lewis development is not just relevant to Lisburn, but will have a wider impact on Northern Ireland. The proposal is for the first John Lewis store on the island of Ireland—not just the retail store, but the warehousing and distribution centre for the whole of the island. The two developments together will create almost 1,000 jobs, and will be a multi-million pound investment.

I have met the chairman and the board of John Lewis and, sadly, for my hon. Friend the Member for East Antrim, I know that the choice for them was not between Belfast and Sprucefield. They looked at and considered Belfast and decided that Belfast city centre was not the right location. They need to locate their store on the key Belfast-Dublin corridor, because they need to attract 3 million people within the radius of the store—they need an area that will justify the level of investment. Sprucefield was the ideal location, because it is on the A1 Belfast-Dublin corridor. With the new motorway development south of the border, it now takes an hour and 15 minutes—an hour and a half maximum—from the north of Dublin to Sprucefield. There is ease of access to Sprucefield. It is a central location for all of Northern Ireland, right beside the M1 motorway, and there are not the parking or congestion problems that there are in Belfast. I can therefore understand why John Lewis chose Sprucefield.

The Minister's decision was the right decision for Northern Ireland. The Minister has to look at such decisions in a Northern Ireland context. We cannot afford to turn away the level of investment that John Lewis proposes, nor can we dictate to companies where they should locate. If we believe in a free market, we should believe properly in that free market.

In respect of the impact on Lisburn city centre, the people who object to John Lewis are the same people who objected to the Marks and Spencer's store 15 years ago. They said that a Marks and Spencer's at Sprucefield would destroy Lisburn city centre—or town centre, as it was then. Today, the city centre is thriving, and Bow Street mall is the largest shopping centre in Northern Ireland. There is also the Lisburn square development—there has been major investment in Lisburn city centre. Whatever measure is used, Lisburn city centre has benefited from the retail development at Sprucefield, and can benefit further from the development of the John Lewis store and the other units there.

Let me say to my hon. Friend that, as I understand it, we are not talking about small 20 retail units, but a much smaller number of large retail units going in alongside the John Lewis store. That will help to ease the impact on town and city centres in Northern Ireland.

I understand that competition breeds fear. There is no doubt about that. When a new player, especially someone with the prestige of John Lewis, enters the market it is bound to create fear and opposition. I appreciate that, and believe that people should have the opportunity to express their concerns and to challenge decisions with which they do not agree.

I also want to mention some other developments in my constituency which I hope the Minister's Department and the Planning Service will do their best to push through the system, since they represent major investment. One is the relocation of the Coca-Cola bottling plant from Larnebeg to the Knockmore Hill industrial site. Again, we won that in stiff competition from Dublin, south of the border. We secured Coca-Cola as a continuing employer in Northern Ireland. The relocation will provide additional jobs in my area and the Greater Belfast area. Therefore, I hope that the planning system will put no major hurdles in the way of getting a speedy decision on the Coca-Cola application.

I want to mention the development of the former Maze prison site. Again, I am aware that there may need to be further inquiries into the site's development, but it is a major asset. Let us not tie it up in the planning process and bureaucracy. That project should be fast-tracked, particularly since the national stadium project, as the Minister will know from her previous involvement with culture, arts and leisure in Northern Ireland, is so important to the development of sport there. We want to have the opportunity to bid for some Olympics events in 2012. The stadium at the Maze gives us a golden opportunity to do that. Let us get it up and running. Let us get builders on to the site as quickly as possible. Of course, we will allow people to have their say in a democracy, but let us have no undue delay in pushing that project forward, so that the new stadium is in place well in advance of the Olympics. I hope we shall then be able to attract events, so that Northern Ireland will benefit from London's success—we supported it in its bid for the Olympic games.

My hon. Friend the Member for South Antrim (Dr. McCrea) quite rightly mentioned the Crumlin asbestos store, to which the Minister granted approval in her previous capacity. I want to endorse his comments in that regard, but also draw the Minister's attention to my concerns about the Belfast hills. A proliferation of landfill sites are being granted approval there. The Belfast hills are a wonderful environmental asset to the people of Belfast and the Belfast metropolitan area, including the city of Lisburn. It pains me to see the way in which a multiplicity of landfill sites is gaining approval in the hills, with the impact that that will have on the environment of the area. Can the Minister advise her colleague, Lord Rooker, to look at the issue again? We need to preserve the Belfast hills not just for this generation but for future generations.

Roads and infrastructure form a major part of the planning process. We hope to secure additional investment to make major infrastructure improvements in Northern Ireland, including major road projects. Again, the planning system needs to be addressed here. The Roads Service can be tardy at times in its planning procedures for major roads projects. The planning system needs to give that priority.

In my own constituency, for example, I think of the proposed Knockmore link between the M1 and the new north feeder road, which I welcome. That is close to completion at present and was entirely funded by private developers. There is scope for the planning system to encourage investment in local communities by making it part of planning delivery that we get returns from major development in terms of infrastructure improvements. The north Lisburn feeder road is a prime example of how that works, and I hope that the Knockmore link will take priority there.

Another priority for us is the upgrading of the link between Sprucefield and Lisburn city centre to help to improve the flow of traffic between the two retail centres, as is the possibility of a new south Lisburn orbital link to accommodate the increasing volume of traffic coming off the M1 motorway and into the south of the city of Lisburn.

We also want the Department to deal with the question of office space provision in Lisburn city centre. We believe that the development of office space in the city centre is crucial to its strategic development and to increasing footfall in the retail space in Lisburn. We hope that that, along with car parking provision, will be given greater priority.

I finish by making a plea about the B23 Hillhall road, which is now a major route. Some of my hon. Friends who travel from the west of the Province use it regularly to bypass the M1 into Belfast city. The forthcoming major roadworks on the west link will mean a large increase for three years in the volume of traffic on the Hillhall road. The planning system needs to take account of that.

It seems that the development of the Hillhall road is being fast-tracked, but the infrastructure is not being increased at the same time on that busy stretch of road. That needs to be revised. The concerns of local residents should be taken on board about the future development of the Hillhall road and the need to improve road safety. There is almost an accident a day on that stretch of road.

Thank you for the opportunity to participate in the debate, Mr. Bercow. I look forward to the Minister's response.

Several hon. Members *rose—*

John Bercow (in the Chair): Order. It is usual in these circumstances for the winding-up speeches to begin at midday. I am sure that the next hon. Member to speak will bear that in mind when he tailors his contribution.

11.57 am

Mark Durkan (Foyle) (SDLP): I congratulate the hon. Member for East Antrim (Sammy Wilson) on securing the debate and on the points that he made. Several hon. Members have remarked on the lack of consistency in the Planning Service. Anyone from the Planning Service who is listening to the debate might well question the consistency of hon. Members as we politicians duck and weave on both sides of the debate. I believe, however, that we are right to highlight issues and the frustrations of developers and others who are trying to advance projects that would underpin further economic development. We are also right to express the concerns and frustrations of people with legitimate

[Mark Durkan]

planning objections who have found planning policy to be inconsistent and incoherent. It is with that sort of consistency that we emphasise the different points.

I fully support what other hon. Members have said about the need for planning policy statement 5 to be developed, not only for all the reasons that have been given, such as the confusion and consternation created around the whole Sprucefield-Belfast situation, but because of Tesco's proposal for a shopping centre in Derry outside the city centre, which would have a major impact and would be a major drain on other businesses. Springtown centre, which is a small local centre not far from where Tesco would locate its super-development, was built with completely private local money. The planners are now telling the centre, which has been refurbished, that it will not be allowed to have any extra retail area because it competes with the city centre, even though it is quite clear that it does not. That is the sort of contradiction that exists for the Springtown centre, which is hardly a stone's throw from where Tesco proposes to put a superstore.

That leaves people asking all sorts of questions, and comes on top of the fact that Seagate, a major employer in the area, has trouble coping with the scale of development around it. The roads cannot cope. I know that the Minister who will respond to the debate today is not a Minister at the Department of the Environment, but she is attached to the Department of Enterprise, Trade and Industry in Northern Ireland, and I encourage her to visit Seagate in that capacity on a future trip to Derry. She might hear not only about the plans for future expansion, but about the confusion, which Seagate is experiencing as a major employer, that is caused by the lack of coherent planning and certainty around regional planning policy statements.

12 noon

David Simpson (Upper Bann) (DUP): I cannot promise to be as entertaining as my colleagues. If the hon. Member for Lagan Valley (Mr. Donaldson) ever thinks of giving up politics, he would make a good sales director for his constituency.

The Minister will be aware of the difficulties in my constituency in relation to the Craigavon area plan. I see her smiling. I am sure that she was on therapy when she was dealing with the Craigavon area plan in her previous capacity. We have had several meetings in the past few months. I must express to her my disappointment and frustration about the plan and the continuing delays. In the 2004 draft plan, the planners, in their wisdom, did not designate the town centre boundaries—they are now redrafting it. Months ago, they promised that a draft proposal would be issued by the end of the year, but planning officials informed me yesterday that that is not even on the Richter scale at the moment.

There is a problem of which the Minister will be aware—I spoke to her colleague about this. One individual is dealing with three area plans. With the best will in the world, no individual, no matter how good, can deal with three area plans. I was assured that the Banbridge, Armagh city and Craigavon plans would be divided up and looked after by three people, as it is impossible for one person to do that. We therefore have a difficulty with delays, which stymie development.

As the Minister will be aware from her visits to Craigavon, we have major potential for investment but the delay in the development plan is holding everything back. We have potential investment of £300 million, but developers are being held back because they cannot get approval. We have the major Vico development in Portadown, the proposal for a £30 million extension to the Rushmere shopping centre, and another proposed £30 million investment in Magowan West in the Portadown area, but we cannot progress because of the area plan.

For some reason, the Planning Service, in its wisdom, brought Colliers Consultants, an English consultancy company, into Northern Ireland to try to sort out the retail query. I believe that the consultants met Craigavon district council once to introduce themselves. Since then, there has been no contact with the council about retail viability. We need to make some progress toward reaching a satisfactory conclusion. A lot of developers have purchased land and are waiting to proceed, but cannot.

I shall deal briefly with the issue of housing indicators for the Craigavon area. Will the Minister speak to officials in the Planning Service to release phase 2 land there for housing? We were told that, originally, 13,400 homes were planned for the Craigavon area. We are now told that that number has been reduced to 11,000. Time is moving on and others want to speak, so I will sit down, but will the Minister address some of those issues?

12.4 pm

Lembit Öpik (Montgomeryshire) (LD): First, I must say how much I am looking forward to the Minister's response to the 72 detailed planning points that have been raised so far. Secondly, we always talk about normalisation in the Province. Having listened to hon. Members' frustrations at the delays that occur and the randomness of the planning process, I say, "Welcome to the normal planning process, as implemented across the rest of the United Kingdom." I find planning so frustrating in my area that I have considered standing for the local authority. It looks like a great deal of fun, although I suspect that the planning process has less to do with objective debate and more to do with a throw of the dice.

I applaud the hon. Member for East Antrim (Sammy Wilson) for securing the debate and for highlighting issues that his constituents, and those of other hon. Members who have spoken, will be grateful have been raised. The Minister will be unable to respond to all the detailed points, but I hope that she will make the effort to respond in writing to the extensive list of frustrations that have been expressed.

Planning is particularly important in Northern Ireland because of the feeling that exists there that applicants cannot find an avenue to appeal in the same way as people can elsewhere. The hon. Member for East Antrim has provided a vital platform for those specific issues.

I have a few general concerns about Northern Ireland planning policy. An inadequate approach to sustainable planning has been adopted. There are several examples of that, many of which have been highlighted already. I merely add that apartments are springing up in south Belfast, only to remain half full. Traffic congestion, the destruction of older buildings and plans to build houses and supermarkets in the green belt all give a sense of randomness not only in individual applications but in the strategic plan for Northern Ireland.

I agree with those hon. Members who feel that there must be a general review of planning policy statements to ensure that they are consistent with both economic and social needs and that the communities' concerns are taken into account. We certainly need more clear targets for brownfield development.

Moreover, the Minister could easily take on board some other straightforward proposals. The abolition of VAT on renovation would encourage the use of existing buildings, which developers often shy away from because they cost more to renovate. Compared with new builds, less profit can be made from them.

The establishment of more conservation areas would make much sense, together with a more clear-headed look at out-of-town retail developments. We heard about the conflicting pressures that hon. Members from the Province face on that subject. It would help them and their communities if the Government provided clarity of direction on those issues.

Councils should be able to initiate third-party appeals. Although it may not be practical to grant that power to individual residents, parties such as the Alliance party believe that the power should be vested in local councillors, through a weighted majority vote. I tend to agree with that.

We must see a strategic approach to develop best practice in the design of the urban environment. An opportunity exists to maximise cross-community mixing, which is connected to the urban landscape that one develops. Lord Rooker must be asked why he is reducing councils' consultation powers on planning issues. We have already heard the reason why that could prove a difficult and counter-productive move. Perhaps the Minister will comment on that or write to us with an answer.

Finally, this may be a contradiction, but I agree with hon. Members' frustrations with the speed of the planning process. We heard one dramatic example of the Environment and Heritage Service's repeated requests for a constituent to do surveys on his garden, which is falling into Belfast lough. Similar complaints are common in planning across the entire UK. Perhaps the Minister, with her sage-like, in-depth understanding of the issues, can make Northern Ireland a role model for the rest of us to follow, so that never again will those who are simply trying to protect their grass have to spend £9,000 on understanding in detail the breeding habits of worms on the beach.

We have had a wide-ranging debate. I am pleased that hon. Members have had the opportunity effectively to act as a kind of planning inspectorate. I hope that, today and in the days ahead, the Minister will give them the responses that they and their constituents deserve.

12.10 pm

Mr. Laurence Robertson (Tewkesbury) (Con): I congratulate the hon. Member for East Antrim (Sammy Wilson) on securing the debate and, as the hon. Member for Montgomeryshire (Lembit Öpik) said, on enabling us once again to discuss the more normal aspects of life in Northern Ireland. That makes a pleasant change, especially after yesterday's very necessary debate, in which probably everyone in this Chamber took part. I intend to speak for just a few minutes to allow the Minister time to respond to the important issues raised.

Planning has many objectives. It must balance the rights of those who live close to potential developments with the rights of developers themselves and the need for development. It must ensure sustainability as well as protect the countryside. It must achieve a balance between smaller shops and supermarkets, between affordable housing and larger housing, and between activity and not having too much traffic. There is a balance to be struck. The hon. Member for East Antrim was absolutely right when he said that two of the big problems are delays and accountability. If those delays are too long, or if accountability is not there, it is very difficult to achieve the balance and the objectives that I mentioned.

I pay tribute to the hon. Members for South Antrim (Dr. McCrea), for Lagan Valley (Mr. Donaldson), for Foyle (Mark Durkan) and for Upper Bann (David Simpson), who raised a number of local and important issues, such as inconsistency in decisions and third-party appeals. *[Interruption.]* Excuse me; I have come in this morning not feeling in the best of health.

Hon. Members also mentioned levels of investment and the regional planning strategy, so many important issues need to be addressed. However, I entirely concur with the hon. Member for Montgomeryshire when he says that even in England the situation is far from perfect. The Government have introduced pressure to delegate many planning decisions to officers; indeed, there is a financial inducement to do so. I do not necessarily think that that is the right way forward. I mention that only to demonstrate that even in England there is concern about the time that decisions are taking. That is perhaps something that the Minister needs to consider.

By drawing my remarks to a hasty conclusion, I mean no disrespect to hon. Members from Northern Ireland; I am sure that they realise that the hon. Member for Montgomeryshire and I wanted them to speak, rather than to take the time ourselves. I had a meeting with the planning people in Northern Ireland last Thursday, and one of the questions that I asked was whether it was an objective to move the decision-making process to local councils. I was a little surprised at the answer, which was that not all councils want that authority or power. The people to whom I spoke said that some do and some do not. Perhaps that is a further problem, and perhaps the Minister could address that.

The other problem relayed to me was the shortage of people considering planning applications, given that quite a large number of applications are coming forward. As I represent an English constituency, I do not know the extent to which those two issues are problems, but I raise them because they were raised with me. It sounds like they are obstacles in the way of

[Mr. Laurence Robertson]

making progress towards a better planning system. I look forward to the Minister's response, not only to those two points, but to the many real issues raised by hon. Members representing constituencies in Northern Ireland.

12.14 pm

The Parliamentary Under-Secretary of State for Northern Ireland (Angela E. Smith): I congratulate the hon. Member for East Antrim (Sammy Wilson) on securing the debate and on discussing planning in such a lively and witty manner—I think most people would not be able to do that. This is obviously a subject on which he feels strongly, and I assure him that my ministerial colleagues and I feel equally strongly about it. We want to ensure that we have an effective, efficient planning system in Northern Ireland.

The discussion highlights some of the areas of difficulty. A number of contradictory comments were made. There were comments about having to speed up the systems, but criticisms of methods to try do so and suggestions of new methods to improve accountability, which would slow down the system. That is not a criticism of any hon. Member. It just shows the complexities in the system.

We recognise that, if Northern Ireland is to move forward in promoting the economy and jobs and in ensuring that we have the housing and transport infrastructure in place to provide sustainable, lively communities, we need to get these issues right. That cuts across all areas, particularly the built and natural environment.

I will do my best to address all the points that were raised. There were quite a lot of them. The hon. Member for Upper Bann (David Simpson) suggested that I might have had therapy. I assure him that in my time at the Department of the Environment I never needed therapy, and planning was one of the joys of my life.

There was talk about the excuses made by the Planning Service about the pressures on it, and they were likened to the excuses of British Rail. British Rail would have used a growth in business not as an excuse but as a reason for what was happening—it would have been delighted by a growth in business similar to that experienced by the Planning Service in Northern Ireland. I will give an example. In 2002-03, there were some 27,500 applications on planning. In two years, that increased by a third to slightly more than 37,500. That is one of the factors that has led to work load pressures. I think that there are three others.

One relates to the enforcement side. The case load on enforcement has risen dramatically. I partly welcome that, because there is a growing willingness on the part of the public to complain. However, it must be accepted that there is a growing willingness among some developers to flout the law. I am sorry that the hon. Member for East Londonderry (Mr. Campbell) was not able to speak and has left, because he was involved in a particular matter in his constituency relating to Portstewart. Information was needed to take somebody to court and he was helpful in trying to obtain it and other evidence.

The development plan programme, which several hon. Members mentioned, is the most ambitious for any part of the UK. It is a massive programme and has brought an increasing strain on resources. I think that the number of objections to the draft plan in Magherafelt was more than 3,000.

Dr. McCrea: Over 5,000.

Angela E. Smith: Over 5,000. Not just the level of objections, but the level of responses is unprecedented, although some of the responses we get on the plans are supportive.

The number of responses to the Ards and Down plan, the Magherafelt plan, the northern area plan and BMAP were well in excess of any received for previous plans. Those pressures are increasing. So, too, are the number of people wanting to participate in the planning process. The transparency of the planning process encourages people to do that. There have been many more applications. All that is happening when the public have a right to expect, and do expect, greater turnaround, response and clarity in the process. That has provided a challenge and makes things more difficult. The Planning Service has done a lot of work to increase capacity to deal with that work load. Hon. Members have recognised that some matters, including the key players giving responses, and some of the processes are outside the control of the Planning Service, which does its best to manage. I will discuss some of those comments in a moment.

On short-term actions, the hon. Members for East Antrim, for South Antrim (Dr. McCrea) and for Upper Bann will recognise that we provided additional funding for an extra 125 planners to work in the Planning Service. We are not talking, as the hon. Member for South Antrim suggested, about junior officers replacing senior officers. It may have been newer officers replacing people who had more experience.

I endorsed a decision to deploy staff as a short-term measure away from the area plans and on to planning decisions to address that work load. New staff have to get up to speed and to learn the processes. They were junior staff but they did not replace senior officers. They may have replaced more experienced staff. Decisions increased by 11 per cent. in that time. We are talking about the number of decisions increasing by 20 per cent. compared with the equivalent period last year.

The hon. Members for East Antrim, for Upper Bann, for South Antrim, and for Lagan Valley specifically mentioned the area plans. There is a need to act on that matter, but there is also political and public pressure to ensure that we have new revised policies. That has an impact on the number of applications that we receive. We must proceed with the reform and modernisation programme, which helps us to address those issues. Many of the deployed staff have returned to work on the area plans, but the pressures in respect of applications remain, and Lord Rooker felt that further short-term measures were needed to cope with the work load and to strengthen the focus on service delivery.

The modernisation and reform programme clearly addresses the concerns that the hon. Member for South Antrim raised on accountability. Changes to the modernisation and planning processes are designed to increase accountability and transparency. The aims are to have a much simpler, faster and more accessible planning process to ensure speedier decisions; to reduce

regulation where appropriate; to ensure greater community involvement; to develop more streamlined development plan processes; and to produce clear and unambiguous planning policies to underpin decisions on planning applications. That has to be done as a matter of urgency, as Lord Rooker is aware. There are four key areas: reviewing processes and policies; introducing new technology, including e-planning, so that there is far more information and transparency, which is a major step forward; reforming the legislation; and taking forward internal organisational structural changes.

One of the biggest challenges is the change programme that is being introduced. It has been designed only to support efficiency in the Planning Service, and that itself creates demand on services that are managed internally. Various initiatives have been aimed at improving the speed of decision making and the performance and monitoring of the new targets. As for procedures, outline planning permission has been reviewed and retained. Guidelines have been published and revised procedures introduced on repeat applications. On plans and policy, procedures are in place to ensure that they are developed in line with the regional development strategy. Increased resources have been put into enforcement, internal guidance has been revised and an enhanced programme of training has been developed.

On e-planning, to assist transparency, a new Planning Service internet website has been launched and now provides access to a range of information and advice. The area plans have also been placed on that site to increase transparency. The scope and detail of information on facilities has been increased considerably over the past year, and the website is now being used extensively.

Several hon. Members raised the return of invalid applications. The hon. Member for South Antrim gave two examples. I cannot elaborate on those, but if he lets me have the details, I will look into it. However, the purpose of the measures is to ensure that, if an application is invalid, it is returned at an early stage. Previously, were an invalid application submitted, it would be sent back sometimes six months or even a year later with a request for further information. That is a waste of time for the applicant and staff. Invalid applications will be returned as soon as possible to the applicant with a request for the required information.

If the hon. Member for South Antrim gives me the details of the group about which he is concerned, we will deal with that. However, I remind him that about 25 per cent. of applications are incomplete as to information, plans and fees, and the weight and pressure that that puts on the system is enormous. A scheme is being piloted in Belfast. If there are concerns about its operation, the Planning Service can examine that. However, it has been supported by the CBI and the Construction Employers Federation as a way of moving matters along more quickly, as it is designed to do.

The review of customer service standards is under way, examining how we manage contact with the customer to ensure that they get correct information. Work is continuing with the key consultees in the Roads Service, the Water Service and the Environment and Heritage Service, which was mentioned several times, to improve consultation relations.

I shall address the matter of legislative reform. Hon. Members will be aware that, last Friday, Lord Rooker launched a consultation paper on proposed legislation for reform of planning. Members will have an opportunity to give their views on that. However, there are several interesting proposals, particularly the one about temporary stop notices, which the hon. Member for South Antrim recently mentioned to me. They will be used to halt a breach of planning control for a period of up to 28 days, as soon as a breach is identified. There is also a doubling of fines for breaches of advertising control, which will act as a deterrent. There are a number of legislative proposals. One that will be of particular interest is the removal of Crown immunity in the Planning Service.

Members mentioned council consultations. No one denies that councils have a key and statutory role to play in the planning process. Ensuring that that process works efficiently and effectively is a shared objective for councils and the Government. The current process has not changed for more than 30 years. On 30 September, there were 6,000 deferrals in the system. The practice of delaying decisions and accepting multiple referrals for site visits has built up over many years. The hon. Member for South Antrim said that site meetings were removed. They were not removed, but they might not be necessary in every case.

Dr. McCrea: They were removed.

Angela E. Smith: No, they were not, but they are not necessary in every single case. Where issues can only be addressed by a site visit, they will go ahead.

Consultation with local councillors is a central part of the planning process, and we believe that the proposals strike the right balance between ensuring that councils are consulted and express a view, and ensuring that there is swift decision making.

The hon. Gentleman spoke about a lack of consistency in planning decisions. There is certainly a lack of consistency in the way in which councils operate the system, with some of them having more deferrals than others. The hon. Member for East Antrim said that we would consult councils less. We will not consult them less—the same number of applications will go to the councils—but there will be fewer deferrals.

There is also a right to hurry along, as it were, the decisions of other consultees. The head of the Planning Service is meeting with his counterparts in agencies such as the EHS and the Roads Service on that issue to ensure that all consultees are aware of that. Applications must be processed as quickly as possible.

The hon. Member for South Antrim referred to the Crosshill and Cottonmont cases. I made the decisions on them when I had ministerial responsibility for the environment. Both of them are now subject to review. I will not talk about those particular applications because of ongoing legal processes, but I will say that there is always a difficulty for constituencies when such decisions are made. He will be aware that, prior to making those decisions, I discussed the issues with many groups and received many representations. All views were considered prior to decisions being taken.

The hon. Gentleman referred to third party appeals—I am not sure whether his views on that were shared by all his party colleagues—and the hon. Member for Foyle

[Angela E. Smith]

(Mark Durkan) mentioned the contradictions in some of the issues that were being raised. A decision has not been made on third party appeals, but it must be accepted that, if we were to have such appeals, the delays in the planning decision process would be far greater than at present—that would inevitably cause delays. That is because of the contradiction I mentioned earlier between accountability and speedier decision making.

The hon. Member for Lagan Valley (Mr. Donaldson) and I met previously to talk about the Belfast hills, and I will ensure that his comments are brought to the attention of Lord Rooker. The hon. Member for Foyle asked me to visit Seagate when I next go to his constituency. I will visit his constituency shortly, but I have a full programme. However, I assure him that I will see if we can arrange a visit. I will also ask Lord Rooker to address the points that were raised on housing.

The hon. Member for Upper Bann raised the issue of Craigavon town centre and the area plan. It is my understanding that the plan will be published by the end of 2005. That is the information I have been given today. If he has been given other information, we may want to discuss the matter. However, the senior planners in the Department tell me that they are still working to have the draft plan issued at around the turn of the year.

Mr. Jimmy Hood (in the Chair): Order. Time is up.

Secure Training Centres (Restraint)

12.30 pm

Ms Sally Keeble (Northampton, North) (Lab): I am pleased to have secured this Adjournment debate on the use of restraint in secure training centres. The well-being of young people in the care of the state has to be a major concern for all of us who are elected to public office. The safety of children is a priority for me, as it is for most if not all hon. Members. When the well-being of a child, especially a child in the care of the state, is at risk, everything else stops, so the events of last April triggered alarm bells.

However, the events of last April are not the subject of the debate, as that matter is still sub judice. In this debate I am looking at the wider issue of the use of restraint in secure training centres. I am not dealing with overall secure training centre policy, the quality of education services in them, the reoffending rate or any other wider policy matters; I am concentrating on the use of restraint. My information is taken from official sources, including the many parliamentary questions I have tabled, and also from the people to whom I have spoken over the past 18 months.

Any residential institution needs strategies for securing the safety of staff and residents. In a secure training centre it is inevitably going to be a complex task managing some difficult challenging behaviour by people who, although they may be young, may be physically strong and also difficult. Many people would concede that, regrettable though it might be, any strategy for behaviour management in such institutions would have to address the need for physical restraint. The question is what sort of restraint, at what stage it should be applied, for how long, with what checks, and what else should be tried beforehand in terms of de-escalation and prevention.

My contention is that the present regime in the four secure training centres is unacceptable. I will set out the extent of my concerns, and what I believe the Government need to do. The Minister's predecessor—her fellow Under-Secretary of State, my hon. Friend the Member for Wythenshawe and Sale, East (Paul Goggins)—indicated in a written response that the restraint techniques in question, including distraction techniques, are supposed to be used as a last resort. However, Home Office figures show that the use of restraint in secure training centres is routine.

In 2002, restraint was used on 2,461 occasions; in 2003 it was used on 3,289 occasions; in the first few months of 2004 it was used 1,228 times. That means that in 2002 and 2003 it was used an average of four times a year on each resident or trainee accommodated during the course of the year in each secure training centre. To put it another way, across the whole establishment restraint was used between seven and nine times a day in 2002 and 2003, and in each of the secure training centres, restraint was used about twice a day, each and every day of the year. That is not a technique of last resort. That is routine use of physical control, sometimes involving the inflicting of pain on young people, day in and day out.

It is often assumed that those are the most severely disturbed, challenging and violent young people. Again, the reality is somewhat different. The median age of the young people in secure training centres in 2002 and 2003

was 14. Increasingly, they had not been convicted of anything at all. In 2002 almost one third of them were being held on remand, and in 2003 that figure had risen to almost half of them. What on earth does anyone think happens to a 14-year-old being held on remand when day in and day out—they may have been there for a month or longer—they witness the consistent use of physical force to control other young people?

A report that I received stated that on her first night in one of the secure training centres, a girl who witnessed one of those incidents, in which another young girl was held in the restraint position for some time, then went into her room, curled into a ball and cried all night. After April 2004 a number of reviews were set up, including a review of the use of physical control in care, and a summary of the conclusions was posted on the Youth Justice Board website. As my hon. Friend the Minister knows, the use of the seated double embrace has been banned.

My hon. Friend said in a written answer today that figures were not held centrally on the number of times that the seated double embrace had been used in secure training centres. However, I understand that that information is recorded by each secure training centre, so it should be possible to provide it to the Home Office. The statement on the Youth Justice Board website restricted the use of other restraints, but allowed the continued use of many, including nose distraction. The review carried out by a team of experts showed, however, that many more restraint techniques should be scrapped—about 20 in total, including the nose distraction technique. This is the technique described by the Howard League for Penal Reform as being a kind of karate chop. It puts staff at risk of being bitten, and young people at risk of nose bleeds.

Another technique recommended for abolition was thumb distraction. It is described as follows:

"This is another pain compliance technique which causes pain by stretching the joint capsule and ligaments of the thumb. It has a relatively high injury potential in youngsters. The mechanical disparity delivered by the force of an adult hand on a child's thumb has the potential to deliver more injury than other joint stretch pain compliance techniques"

How on earth are we, in the 21st century, managing to run a regime for young people that includes the equivalent of thumbscrews?

Since the double seated embrace was banned, increased use of handcuffs is reported. As my hon. Friend will know, I have tabled a question about that. In at least one of the institutions, in place of the double seated embrace a standing hold is used, but it has been reported to me that children are still being bent over—and it is the bending that is so dangerous, because that is what prevents breathing. During the course of my investigations I had some of these holds demonstrated to me, and the risks are evident.

There is also a real problem of churn among both staff and trainees in secure training centres. Medway, with 76 places, had a total of 322 residents or trainees in 2003 and Rainsbrook, which is the same size, had 289. Meanwhile, staff figures show that often there is a turnover of 20 to 25 per cent. of staff leaving in a year. At Medway, 101 of 256 staff left in 2003.

Questions have been raised with me about the qualifications and training of staff. Are psychologists suitably qualified and registered? Have nursing staff who are supposed to be present and observe—and, indeed, video—the use of physical control been trained to know what they are looking at? Do then know when things become risky, and when to intervene? How many staff have higher education qualifications? How many staff have qualifications in child care or social work? What about training and procedures in relation to gender, such as the impact of male staff using physical restraint techniques on vulnerable young girls?

Questions have also been raised about the appropriateness of the use of restraint, and whether physical control is being used not just to protect the safety of staff and residents, but to achieve compliance with instructions, which is not supposed to be allowed. There have also been questions about the quality of the guidance and the manuals on the use of restraint provided for staff. For example, in the central police training manual on the use of control techniques, police officers are told they should

"pay close attention when they recognise the following symptoms, taking immediate action to remedy them and apply emergency aid".

including if the

"Subject tells the officer that they cannot breathe".

I understand that there is no such caveat in the training manual for secure training centre staff, although one might have prevented the tragedy of April last year.

There has been criticism of the length of time for which children are held in these positions of restraint. In one institution staff reported recently that they thought it reasonable to hold them for up to 40 minutes. Questions have also been raised about the monitoring and reporting arrangements, and about the sharing of information and skills across the different private companies which run these institutions. There has been criticism of the way in which the complaints systems operate in one of the institutions, on the ground that the complaints procedure was too internally focused.

It is completely wrong that it should take 18 months and an Adjournment debate to get the full statement from the Home Office on the use of restraint in secure training centres. The short statement posted on the Youth Justice Board website does no justice at all to the concerns that have been voiced and the reviews that have been carried out in this difficult policy area. The fact that after repeated concerns were raised in Parliament by me and by other hon. Members it was sneaked out during the recess is woeful.

During that 18 months of delay, hundreds of other children and young people have passed through those institutions. There are two actions that the Government should take, bearing in mind the fact that those four institutions—the only ones in the secure training centre programme—are all in the private sector, and not open to the controls that might apply to public sector institutions. There is sufficient ground for concern at Hassockfield and Oakhill for the Home Office to conduct a stringent review of the contracts with the companies involved, to ensure that they are capable of complying with what is required to provide a safe regime for young people and staff, and that any penalties for non-performance are applied.

[Ms Sally Keeble]

At Medway and Rainsbrook, however, the position is more serious. Those are the two secure training centres with the greatest use of restraint. One of them was also the scene of the serious incident last April. In addition, I understand that those centres did not allow admission to the consultants employed by the Home Office to carry out the review of physical control in care. In those circumstances, the contract with the private company responsible for these two centres should be terminated, because they have not shown that they have provided, or indeed are able to provide, a regime that is either appropriate for the staff or safe for the young people.

Terminating the contract would leave the front-line staff in place, but ensure that a management structure and team that could instigate the changes in procedures and policies needed in these institutions to protect both staff and residents was put in position. In the past 18 months, I have looked at many reports and spoken to many people about what happens in the secure training centres, and the problems associated with their use of restraint exceed my worst fears. For the Government to fail to act on this matter would be a complete dereliction of duty.

12.43 pm

The Parliamentary Under-Secretary of State for the Home Department (Fiona Mactaggart): I congratulate my hon. Friend the Member for Northampton, North (Ms Keeble) on raising this important matter, which we have spoken about before. The use of restraint on young people in secure training centres is rightly a matter of concern, and I welcome this opportunity to discuss it.

It may help if I begin by saying something about the role of the centres, which are a relatively recent addition to the youth justice system. The first centre, Medway, opened in 1998 and three more are now operating. The most recent, Oakhill, came into operation in August last year. The aim of the centres is to provide high-quality education and care for young people between the ages of 12 and 17 who have been sentenced to custody. As my hon. Friend said, they also accommodate some young people who have been remanded in the care of a local authority with a requirement that they be kept in secure conditions.

From a modest start—Medway originally held 40 trainees—the secure training centres now provide 274 places for young people. Placement is, in most cases, decided by the Youth Justice Board and takes account of the young person's age, sex and assessment of vulnerability, and where he or she lives. STCs seek to combine the high staff-trainee ratio that is also a feature of secure children's homes, with the benefits of a larger establishment—in particular, the ability to run a wider range of programmes, with an emphasis on education.

Those young children do not only have the problem of lack of educational achievement; they frequently have a range of other difficulties, including unstable family relationships, substance and alcohol misuse and mental health problems. Many have poor social skills and little understanding of the distinction between acceptable and unacceptable behaviour, so for those who run STCs, maintaining good order is necessarily a high priority. That has become more problematic as the average age of trainees at STCs has increased. Originally, the centres held only 12 to 14-year-olds under secure training orders. After April 2000, when the secure training order was replaced by the detention and training order, the centres began to take older, and therefore physically more developed, children. As my hon. Friend admitted, such children can be very strong. The reality is of physically well developed but socially unskilled young people who, often for the first time in their lives, are expected to adapt to the standards of behaviour that the rest of us think of as normal. There is bound to be some resistance, and staff need to be skilled in dealing with that. The guiding principle is that physical methods of restraint should be used only as a last resort; other methods of behaviour management should be used to resolve incidents whenever possible.

The Youth Justice Board has been consulting on a draft code of practice for managing children's and young people's behaviour in the secure estate. The code places very strong emphasis on maximising the use of non-restraint methods of behaviour management, in order to minimise the need for physical intervention. I expect to receive the final version of the code for approval in the near future. The YJB is also seeking to develop guidance on and training in behaviour management techniques as part of the follow-up to its review of physical restraint in care.

Regrettably, however expert STC staff are at managing behaviour, on some occasions physical restraint will have to be used. Staff may need to act quickly to prevent trainees from harming themselves, another trainee or a member of staff. It may also be necessary to restrain a trainee from damaging property or escaping from custody. Use of restraint must, of course, be lawful, and the use of restraint is authorised for those strictly limited purposes by rule 38(1) of the STC rules, which are a statutory instrument laid before Parliament.

A system of physical interventions known as physical control in care—PCC—was developed in the late 1990s for use in STCs. It was approved by the Secretary of State on the advice of a panel of experts, including medical experts. It was designed to be non-pain-compliant, although, as my hon. Friend said, it includes certain distraction techniques that involve the brief infliction of pain. Those techniques may be used where necessary for safety reasons. PCC may be used only by staff who have received the proper training. There are strict guidelines about how incidents involving the use of restraint are managed, and each incident must be properly recorded within 12 hours of its occurrence.

PCC has recently been reviewed by a panel of experts, again including medical experts. The review began in March 2004. Following the death the next month to which my hon. Friend referred, the use of one type of hold previously approved as part of PCC has been discontinued, and others have been modified. My noble Friend Baroness Scotland has approved the new arrangements, and the YJB published a summary of the panel's recommendations in September this year. My hon. Friend suggests that it was sneaked out during the recess, but I believe that that is a misrepresentation. It would have been utterly wrong of Ministers to delay until Parliament had returned the production of such important information about the way in which physical control in care is managed.

The YJB plans to publish a full report of the review in the fairly near future. The reason for delaying the full report is that the follow-up review covers a number of other matters, including the recommendations of the expert panel that focus on more general issues of behaviour management. If we are to ensure that physical restraint is in practice a last resort, we must ensure that behaviour management techniques that do not rely on physical restraint are well developed and effective.

My hon. Friend expressed particular concern about the Rainsbrook centre. It would be helpful for her to visit the centre, and I understand that the operators have invited her to do so. I have suggested that she also discuss her concerns with the chief executive of the Youth Justice Board. She is aware that I have spoken to him and to the deputy chief executive about the full range of those concerns.

The most recent inspection of Rainsbrook was carried out by the Commission for Social Care Inspection in January 2005. It found that monthly meetings were held at which the quality assurance and information officer presented an analysis of the data on the use of physical restraint, single separations and sanctions applying to young people. All the senior managers at the meeting considered in detail the information—including trends over time—on young people, the staff involved and the location of incidents. A young person was invited to the final part of the meeting to provide feedback on his experience of being subject to control.

All that is part of the process, which is quite well developed, of ensuring that the implementation of policy is as close as possible to our ambitions to reduce the use of physical control, to improve other means of behaviour management and to ensure that things are monitored well. In practice, they are monitored well at individual centres, even if we do not always have the IT mechanisms to ensure that data collected locally can be centrally provided at reasonable cost. Each of the centres is inspected every year, and in addition to those regular CSCI inspections, there are a range of random inspections.

My hon. Friend expressed concerns about staff recruitment and retention. I hope that she will be aware that before commencing work, all staff must undergo a comprehensive vetting process that includes an enhanced Criminal Records Bureau check and employer vetting. The contracts with secure centre operators require that all successful job applicants should be vetted both by the employer and the authority—now the Youth Justice Board, but previously the Home Office. That consists of the CRB checks I have just referred to and the verification of the employment history of each applicant.

Before an individual commences employment in a secure training centre, the employer must verify that individual's employment over the previous five years. Within three months of their commencing work, the employer must verify their employment history over the previous 20 years, or from when they left school. Rebound, the operator of Rainsbrook, has assured the Youth Justice Board that no member of staff employed at the centre has been subject to disciplinary procedures, suspension or conviction for a criminal offence while employed at Northamptonshire social services department or any other such department.

The Youth Justice Board is committed to working with the organisations that provide custody for children to make sure that the behaviour of young offenders is dealt with in a constructive and positive way whenever possible, and with minimum physical intervention. The way in which statistics are presented can imply a widespread and common use of physical restraint. However, our rigorous reporting requirements mean that such physical intervention as using an arm to encourage a child to behave in a particular way would be reported, because we need to be rigorous in ensuring that all incidents are reported.

My hon. Friend's focus on the most concerning aspect of physical control in care, which is the use of pain-compliant techniques—she is right to be concerned about that—implies that it is a frequent occurrence in our secure training centres. However, I agree that those techniques must be used only in a tiny number of exceptional cases, and in the context of the number of places available in each centre, the use of any form of restraint is reported less than twice a month per place in our centres.

We need to ensure that that such use is minimised and that our staff have the appropriate skills to manage behaviour without using physical restraint. However, in order to protect trainees as well as staff from potentially violent incidents, methods to distract children who behave dangerously are required. When essential, pain-distraction techniques are authorised, but I do not want this debate to leave the impression that they are a common feature of our restraint techniques.

The Youth Justice Board works with organisations that provide custody for children to ensure that young offenders' behaviour is dealt with constructively and positively wherever possible, and that physical intervention is kept to a minimum. For that reason the production of a full code of practice has been delayed, because it seems right to us that restraints should be used only as a minor part of a suite of behaviour-influencing tools. The YJB will produce the full report on behaviour management, which will be backed up with training and will include the full final report of the review of physical control in care.

We are determined to improve the systems of restraint used in custodial establishments. The YJB has completed its review; it is also working with the Prison Service to see whether the latter's system of restraint can be modified, so that it relies less on the controlled use of pain to achieve compliance.

My hon. Friend raised her concerns about the use of handcuffs. I approved an answer to her parliamentary question over the weekend, so it will probably be in her pigeonhole today. It appears to me that centres that use handcuffs can use them to reduce the incidence of other methods of physical control. There is often a trade-off. I would be interested to learn her comments when she views the figures.

Difficult choices must be made. The YJB is determined to learn from the best. That is why it is discussing with the Prison Service whether other adaptations can be made. The YJB is working with all the providers of custody for children to develop more consistent collection of information on restraints—a point that my hon. Friend raised—to ensure that it can identify where improvements need to be made.

[Fiona Mactaggart]

The death of any young person in custody is a tragedy. The Government are committed to doing everything that they can to prevent such deaths and to ensuring that young people are kept in safe, decent, secure and purposeful establishments, in which the causes of their offending are addressed. The safety of young people in our care is of the greatest importance. The Government and the Youth Justice Board are committed to doing everything possible to limit the use of physical restraint to circumstances in which there is no reasonable alternative. Where it has to be used—

Mr. Jimmy Hood (in the Chair): Order. It is time for the next debate.

Renewable Transport Fuels

1 pm

Norman Lamb (North Norfolk) (LD): This is a timely debate; I have even heard a suggestion that the Prime Minister might make some sort of announcement on the issue soon, and I will be interested to hear the Minister's response to what I say. Many of us have been pursuing the issue of renewable transport fuels for a long time—and I am pleased to see that Baroness Shephard has just arrived in the Gallery to hear the debate. She has been active in pursuing the subject, alongside others from across the political divide.

This debate comes at a time when it is clear that the Government's domestic target for reducing carbon emissions—a 20 per cent. reduction by 2010, from a 1990 baseline—will not be met. I understand that we have achieved a reduction of only 4 per cent. so far, so the chances of meeting the domestic target seem low, if not non-existent.

In the transport sector, carbon emissions are actually increasing, when all the emphasis should be on reducing them. There was an 8.8 per cent. increase between 1990 and 2005. Among those of us who have been campaigning for effective action to kick-start a domestic biofuels industry, there is great frustration that so far nothing effective has happened. It is interesting to look back, and soon after I was elected in 2001, I took a delegation of North Norfolk farmers to see Lord Whitty at the Department for Environment, Food and Rural Affairs. At that stage, the subject was very much a minority pursuit. Farmers were starting to talk about biofuels as a possible new income stream, but there were many sceptics—including some on the environmental side.

Since then, there has been growing momentum. Indeed, when one talks to Ministers privately, it is clear that on the Government side there is growing acceptance of the need for action. The frustration is that that has not yet been backed up by anything that will effectively kick-start a biofuels industry.

I was struck by an article in *The Observer* last Sunday, written by the Prime Minister. He says—this demonstrates the change that has occurred since those early days:

"One policy being considered is the increased use of biofuels".

I do not think that he has ever said anything like that before.

Mark Williams (Ceredigion) (LD): Does my hon. Friend acknowledge that there is provision in the Energy Act 2004 for the Minister to introduce a renewable transport fuel obligation? I am sure that my hon. Friend will press the Minister to give some assurance as to the outcome of the feasibility study that the Government are undertaking on the introduction of such an obligation.

Norman Lamb: My hon. Friend pre-empts me; I was going to come to that later. Many of us campaigned for that provision in the 2004 Act, and as my hon. Friend suggests, it is essential that the Minister responds to that idea.

To complete my quotation, the Prime Minister says that the increased use of biofuels is

"already well developed in Brazil and the US".

Actually, it is already well developed in Europe, too, as I shall explain. He goes on:

"If we can achieve just 5 per cent of fuel from renewable sources by 2010 that has the potential to take more than one megatonne of carbon."

That means that it could take away more than one megatonne of carbon emissions. So the Prime Minister is now making the case for biofuels.

I will focus on the renewable transport fuel obligation proposal, which, as my hon. Friend said, was facilitated by the Energy Act 2004. However, first I want to say a word or two about what is happening elsewhere, because there has been some dramatic progress in the United States. In May this year, a fascinating article in *The Economist* highlighted the progress that has been made elsewhere, and maize-based ethanol production in the United States is increasing each year by 30 per cent. Brazil has long been the world leader; it has produced vast quantities of bioethanol, in particular. China has built the world's largest ethanol plant, so we must think again about our assumptions that that country is a big polluter, as it is looking at how to produce renewable energy. Germany is focusing on biodiesel; it is raising production by 40 to 50 per cent. a year. France's aim is to triple output of biodiesel and bioethanol by 2007. The article then referred to "backward Britain". That is depressing.

Fascinating developments are taking place in the mix of fuel. We have assumed so far that we can have only a low mix of bioethanol, in particular, with ordinary carbon fuels. However, the picture is changing. Europe has a typical 5 per cent. of biodiesel mix but, unbeknown to them, many drivers in the United States are already using a 10 per cent. ethanol mix with standard gasoline—and that can be higher. In both the United States and Canada, public sector vehicles are running on a 20 per cent. mix. In California, 100 per cent. biodiesel is used regularly. Some companies in this country are doing the same, with the limited amount of biodiesel that is already in production. Much work has been done to include additives that make the fuel usable at low temperatures, which has until now been a problem.

In the United States and Brazil, flex-fuel engines have been developed; they allow the use of a high mix of bioethanol—up to 75 per cent.—with petrol. The driver behind the increase in the development of biofuels in the United States has been the price of mineral fuels, although that is still low by our standards.

As we know, the United States Government have not been particularly interested in the imperative of tackling climate change, but the case for action is threefold, the first and most important reason being the imperative of tackling climate change. I quoted the Prime Minister earlier, and I wish to stress that if every private car used 5 per cent. biofuels, it would lead to a reduction in transport sector emissions of 1 megatonne of carbon, That is a substantial contribution to the objective of cutting carbon emissions.

The second case for action concerns fuel security and price. There is a strong argument for breaking the reliance on what are ultimately unstable regions of the world. Over the years, that has had a distorting effect on foreign policy. We can argue about the impact of the pursuit of oil in respect of the war in Iraq, but whatever our view on that subject, there is clear evidence that it has distorted foreign policy objectives over the years.

The third objective is to produce a new income stream for rural communities and farmers, in particular. Farmers—certainly in Norfolk, as well as elsewhere in the country—face a massive loss of income as a result of the sugar regime reforms, together with other reforms of the common agricultural policy. We can argue about the extent of the sugar regime reform, but there is a broad consensus that it has to change, and the impact of lost income could be significant for farmers. This provides the potential for a new income stream and a boost to the rural economy. A study commissioned by the East of England Development Agency two or three years ago showed that we could generate about 20,000 new jobs, mostly in rural areas, if we developed a significant biofuels industry.

I have outlined three objectives that the Government can achieve: real impact on climate change, impact on fuel security and a boost for the rural economy. That is win, win, win for the Government and I hope that they will take the chance to achieve those objectives. The great fear of many of us is that if they delay even longer, all we will see is imports of biofuels sucked in from overseas, and a failure to take advantage of the great opportunity that is before us.

Dr. Alan Whitehead (Southampton, Test) (Lab): The hon. Gentleman is making a case that I have fully and strongly supported for a long time. Does he consider that the best way to introduce a renewable fuel obligation would be alongside the present fuel duty reduction provision, rather than as a replacement for it, and also that the biofuel specified in the obligation should be sustainably sourced? Will he join me in welcoming the commitment of the biofuels industry to work alongside producers and non-governmental organisations to achieve the highest standard of sustainability?

Norman Lamb: I have been pre-empted again. Let me take this opportunity to pay tribute to the hon. Member for Southampton, Test (Dr. Whitehead); he has long campaigned for biofuels, and what he has said today is consistent with the case he has been arguing for many years. I agree with the important points that he has made.

What do we need to do now? The Government must make a commitment before the end of the year—perhaps in the pre-Budget report or the report on the climate change review—to introduce a renewable transport fuel obligation, and they must also commit to having that in place by 2007, so that the industry can start to gear up to produce the fuel by the time the commitment is in force.

The European Union biofuels directive which came into force in 2003 sets indicative targets; it gives targets for member states on the percentage of fuel sales coming from biofuels. The indicative target for 2005 was 2 per cent. However, the target that the Government actually committed to was 0.3 per cent.—far below the directive's indicative target. The target in the directive for 2010 is 5.75 per cent. Can we have a commitment,

[Norman Lamb]

alongside the commitment to introduce an obligation, that we will achieve that target by 2010? That will have an impact; it will stimulate investment in plant to produce the amount of biofuels required.

It is also necessary for the Government to give a commitment to keep the obligation in place for a reasonable period. It has been suggested to me that it should be in place until at least 2015, so that there will be certainty that the investment will take place. That would be in line with the electricity renewables obligation already in place.

Will the Government also undertake to increase the target level beyond 2010? We have said that we would like the target of 5.75 per cent.—the indicative target in the directive—to be achieved by 2010, but it is not good enough to leave that as the final objective. With the capacity to adapt engines to take a higher percentage of biofuels, it should be possible to have significantly higher targets for the mix in the years beyond 2010.

To pick up a point made by the hon. Member for Southampton, Test, further work must be done on carbon accreditation, with a certification scheme to prove carbon savings, and on environmental and social standards. That will help to give investor confidence. However, it is also important to give confidence to the wider community that the move towards biofuels will not have adverse consequences. The law of unintended consequences often applies in respect of new legislation and new commitments, and we must make sure that we have the arrangements in place now to avoid those unintended and unattractive consequences.

There is a particular sustainability concern regarding the production of palm oil, with fears of deforestation as well as concerns about labour practices in south-east Asia. That concern must be addressed, and Friends of the Earth has come forward with sensible recommendations to ensure that the development does not have those adverse impacts. Taking those recommendations on board would seem sensible, to me, in moving to introduce a commitment.

Industry has also repeated its call for enhanced capital allowances. A reply that I received from a Treasury Minister in July showed encouraging indications of a willingness to consider capital allowances, but it also confirmed that no decision had been taken—as appears to be the case with so much else in this connection. Can the Minister indicate whether there has been any move on that front?

Finally, there is the importance of what the hon. Member for Southampton, Test, said about maintaining the duty differential alongside the obligation. We should not just replace one with the other. That would not give the stimulus needed for investment.

Mr. Keith Simpson (Mid-Norfolk) (Con): *rose—*

Norman Lamb: Just before I finish, Mr. Hood, I see that the hon. Gentleman wants to intervene.

Mr. Simpson: I congratulate the hon. Gentleman on introducing this debate. I did not intervene before because I did not want to eat his sandwiches, so to speak—but there is one crucial matter for which I am sure he will agree the Minister here today is not responsible. Going back over 10 years, more or less every Government Department but the Treasury has signed up to this idea. Zero-rating on biofuels is the crucial question. I am encouraged by the Prime Minister's comments in *The Observer*; does the hon. Gentleman think that he might perhaps have some influence over the Chancellor?

Norman Lamb: That is indeed the $6 million question. The frustration goes even further than that, for if one talks to Treasury ministers privately, there seems to be a growing acceptance among them as well. It is probably just the Chancellor whom we are pursuing here, and I appreciate the hon. Gentleman's intervention.

The time for action has come; in fact, it is long overdue. Can the Minister respond positively, and say whether the Prime Minister has already spoken today to confirm that that action will be taken?

1.17 pm

The Parliamentary Under-Secretary of State for Transport (Derek Twigg): I congratulate the hon. Member for North Norfolk (Norman Lamb) on securing the debate today on an important subject, and I thank hon. Members who have taken the time and trouble to attend. I am sure many people are watching the debate, but as the hon. Gentleman will probably guess, there is some focus elsewhere on this particular issue today. We shall see what happens there.

This is an important and timely debate. Climate change is rising up the agenda of Governments around the world. Today, the UK hosts the first meeting under the new Gleneagles dialogue, between the G8 and China, India, Brazil, Mexico and South Africa. That will focus on what is needed to make the transition to a low-carbon economy, and consider how existing and future energy technologies can generate the low-carbon power that the world needs. In the UK we have been doing precisely that in reviewing our climate change programme—thinking about measures to reduce emissions across the economy, including from transport.

Public interest in the environmental impact of transport has never been higher. Recent events such as the flooding in New Orleans and hurricanes in the gulf of Mexico have raised awareness still further. As we made clear in our White Paper "The Future of Transport" in 2004, the challenge that we face is to balance the increasing demand for travel against the goal of protecting the environment. As a society we are travelling further than we used to, for both work and leisure. Transport-related CO_2 emissions are rising, both in absolute terms and as a percentage of overall emissions. Road transport alone accounts for 20 per cent of the CO_2 emissions in Britain, so it is vital that we promote a shift towards cleaner low-carbon road transport where it is feasible and affordable.

Improving the efficiency of our vehicles, and offering better and more reliable public transport, are important aspects of our strategy. However, renewable transport fuels have a key role to play too. In the longer term, that could mean renewable hydrogen, offering the prospect of zero tailpipe emissions. In the short term at least,

renewable transport fuels means biofuels. As we have heard, biofuels offer significant carbon savings compared to fossil fuels, and other advantages too—economic opportunities for rural areas, and diversity of energy supply benefits, to mention but two.

There are excellent prospects for technological advances with biofuels too. Today they are made from crops such as wheat and oilseed rape, but tomorrow could see fuels made from the organic parts of our household waste. Biofuels tick so many of the boxes when it comes to finding a greener alternative to petrol and diesel. Among the

advantages, they are potentially easy to source, they work with modern engines and they are potentially carbon-neutral.

We recognise those benefits, and that is why biofuels already enjoy a 20p a litre fuel duty incentive over conventional fuels. This year's Budget announced that the fuel duty differentials of 20p a litre on biodiesel and bioethanol would continue until 2008.

Norman Lamb: Does the Minister accept that the duty differential has not yet given the kick-start needed to get the biofuels industry going in this country?

Derek Twigg: I can understand the hon. Gentleman's enthusiasm and his concern to move things on as quickly as possible. We have made a start, and I hope that the rest of my speech will give him more comfort on that issue.

The differentials are making an important difference to sales. Biofuels are now available at well over 150 sites across the country, and 10 million litres were sold in September alone. We are currently well on track to meet a biofuels sales target of 12 million litres a month by the end of this year, which would account for 0.3 per cent. of overall fuel sales. We are aware that 0.3 per cent. may not seem like a huge amount, but it is important to realise that we are building sales quickly and that we are still at an early stage in the development of a sustainable biofuels industry in Britain.

Sales have risen rapidly since 2004, thanks to the 20p a litre price differential for bioethanol introduced in January. In fact, 12 million litres a month would represent a tenfold increase in sales over 2004. It is also important to understand why we cannot support a much more dramatic increase in biofuel sales over night. There is still a huge variation in carbon savings between the best biofuels and the worst.

There are also questions over the sustainability of supplies, especially, as the hon. Member for North Norfolk mentioned, in view of the threat of deforestation abroad. It is vital that we get the long-term policy right. There is the possibility that vegetable oils can be refined directly with conventional hydrocarbons in major oil refineries, although the process has yet to be proven on a large scale. That could give us cheaper and higher-quality biofuels at lower cost. We are very interested in examining that process, as it could allow a significant shift in the scale of biofuel production. We are about to undertake a pilot project to examine how such a scheme could work. The tendering process is under way, and the Government are expecting the project to begin from 2006, subject to European approval.

We have also taken advantage of the regional selective assistance grant system to fund the development of a biofuels processing plant in Scotland. The Argent plant in Motherwell benefited from a grant of £1.2 million from the Scottish Executive, and is now up and running, producing high quality biodiesel from a variety of sources, including used cooking oil and tallow.

We have also been looking at capital allowances to support biodiesel production, and have been talking to the industry about the merits of an enhanced capital allowance scheme for the cleanest plants. Of course, we have also been closely examining the possibility of introducing a renewable transport fuel obligation, which hon. Members have mentioned. Such an obligation would place a legal obligation on transport fuel suppliers to ensure that a proportion of their road fuel supplies were from renewable energy resources.

As we have heard, an RTFO could have a number of advantages as a policy mechanism. A successful policy would provide certainty for industry by setting out targets over the longer term. It would encourage efficiencies and economies of scale by mainstreaming the market, and it would promote investment in production facilities and advances in technology.

We have been carrying out a detailed study over the past 10 months or so to examine how an obligation in the transport sector might work. The study set out to establish the cost-effectiveness, administrative feasibility and legal acceptability of an obligation. It also examined how concerns over sustainability and carbon savings might be taken into account, to ensure that the right kinds of biofuels are incentivised, and to avoid the promotion of fuels that would, for example, lead to deforestation in areas such as south-east Asia.

We held a series of stakeholder workshops in spring to discuss in detail how such a scheme might operate, and we have had informal discussions with the European Commission and others about it. We are now considering the findings of the feasibility study in the context of our revised climate change programme, which is due to be published shortly. We have already said that we will set an ambitious and realistic target for biofuels sales in 2010, once the right policy measures have been decided. That should give industry the longer-term certainty that it is asking for, and a clear policy framework to ensure that targets are delivered.

Meanwhile, we continue to build up valuable experience of biofuels through pilot studies and test projects—funded, for example, by our new and renewable energy research and development programme. The Government Car and Dispatch Agency uses a 5 per cent. biodiesel blend in its London-based delivery fleet. At local government level, many local authorities and police forces are using biofuels. For example, Somerset county council has announced a joint initiative with several partners to introduce fleets of Ford flexi-fuel vehicles. The cars will use a fuel blend containing up to 85 per cent. bioethanol, which will be produced locally from sugar or starch crops such as sugar beet and cereals. Avon and Somerset police and Wessex Water are also committed to using the flexi-fuel vehicles as part of their fleets.

Renewable fuels are high up our list of priorities as we seek to balance the need for mobility against the need to protect the environment. Governments across the world

[Derek Twigg]

increasingly recognise that our reliance on fossil fuels will not last for ever and that we have to find cleaner and better solutions to our transport needs. Every week that passes, we get slightly closer to finding those solutions—solutions that are environmentally friendly, efficient and cost-effective. Among them, biofuels have enormous potential, and the Government remain committed to developing a future transport system in which they can play a significant role.

We want to give biofuels their best chance of succeeding as a major contributor to a greener future. The strategy has to be long-term, with sustainable supplies from the right production facilities. As I said at the beginning, the Government have been considering biofuels in the broader context of our revised climate change programme, which is due to be published shortly, and will set out new measures to take us towards our climate change goals. I sincerely hope that hon. Members will have every reason to welcome the publication of the new programme.

1.27 pm

Sitting suspended.

Safer South Derbyshire Partnership

1.30 pm

Mr. Mark Todd (South Derbyshire) (Lab): This brief debate is an opportunity to do three things—first, to celebrate a local achievement in South Derbyshire, secondly, to see what lessons can be drawn from what has happened, and thirdly, to ask some questions about the future. To start with the achievements, the Safer South Derbyshire partnership is regarded as the leading crime and disorder reduction partnership in Derbyshire by the local constabulary. It is seen as a model of how local organisations in a diverse community can get together to discuss and resolve how to address issues relating to crime and the fear of crime.

Among the successful projects in which the partnership has been involved, in several of which I have participated, are the school safety days, during which pupils work with drama groups to examine issues relating to antisocial behaviour and prejudice. Having witnessed one of the performances, I know that the organisers managed to secure a great deal of engagement with young people on some of the key issues of understanding what constitutes antisocial behaviour, and how diverse prejudice can be.

One of the critical elements of support for diversionary activity on demand for young people, to which I shall return when I address the lessons that can be learned, is empowering local people to find local solutions. In one case, young people came up with the idea of organising a football league to run through the summer, when some of them might have been engaged in other less constructive activities. That was set up, has been very successful, and will now continue into a Christmas league. One of the key points is that young people suggested that that was something that they would like to do for themselves.

A third, highly successful initiative is liberation day—which I do not always manage to attend because it tends to be timetabled when Parliament is sitting, regrettably, and sometimes on the busiest days. It is held by the local police force and the partnership to highlight the needs of older people and to address their concerns about crime and the fear of crime. They try to make it a fun day. The most recent event was focused on VE-day celebrations, with many people bringing along memorabilia from the last war. Some people dressed up in costumes, although I did not participate in that. They had a lot of fun, but got across some key messages about how to make people feel safer. Invitations were given to a wide range of local groups that work with older people, and about 650 people attended, in a fairly small community centred around the town of Swadlincote, with some people bussed in from outside. It was a marvellous success.

I have already touched in other parliamentary exchanges on the safer homes initiative, which pays for a joiner who is uniformed and uses a branded van, and is therefore clearly identifiable as part of the initiative. The joiner travels around installing burglar alarms and better home security, checking on windows and doors, and so on. I visited some people who have benefited from that scheme, and they were tremendously impressed by both the professionalism of the individual and the comfort they gained because this was someone

with whom they felt they could work in their home. Through that initiative, we have had 54 alarms fitted, and 120 homes fitted with additional security.

That initiative was focused on vulnerable older people, and older people who have experienced a burglary in the past. Regrettably, as I am sure the Minister is aware, it is common that once people are burgled they tend to be burgled again, because unless the culprits have been apprehended, they know perfectly well where the weak points are, and what they left behind. It is very important that target hardening is done, and that initiative has been a tremendous success, which I know has been greatly appreciated by those who have benefited from it.

There are also other matters, such as the use of section 30 of the Anti-social Behaviour Act 2003 in Melbourne, a pleasant small town in South Derbyshire. I should say straight away that South Derbyshire has, generally, a low crime rate, and is a very pleasant place to live; I live there, and I enjoy doing so, as do most of my constituents. However, there are problems from time to time.

Melbourne certainly had problems with youths, mainly from outside the town, congregating and causing nuisance. I recognise that there has been some controversy about the use of section 30, but the imposition of that section allowed the police to step in, talk to young people, check on what they were doing, and, in some cases, send them home. Some 100 notices were served in the first three to six months of the use of section 30, and there have been a small number of arrests under it. As a result, calls to the police for attendance in that town were reduced dramatically, and that made a considerable impact on police time.

There are a number of urban parks in the town of Swadlincote, and they are attractive legacies, mostly dating from the Victorian era or the turn of the 19th century. However, they were a neglected asset, and sometimes a focus for antisocial behaviour. The introduction of park patrols—again, the partnership was involved—has started to make them not only more attractive places, but places that people feel comfortable visiting. They recognise that they are walking around in a safe environment. It is reassuring to have a presence there, so that people think, "There's someone in charge of this place." That also reassures regular users, such as the bowls community.

Another past initiative was the successful intelligence-led project focusing on potential drug offenders in a particular part of Swadlincote. That had a significant impact on crime rates in the town for some considerable time. In a small town such as Swadlincote, a rather small number of people tend to commit a very large proportion of offences, and that sweep, based on additional support for intelligence, was highly successful in reducing crime.

I now come to a future initiative that is just about to start. I am proud to say that South Derbyshire is not the antisocial behaviour order capital of the UK. We do not use them except in pretty extreme circumstances. Nevertheless, I feel that there is more scope for the use of ASBOs. We are setting up a hotline, so that people troubled by antisocial behaviour can come forward and give information, and get the appropriate co-ordinated response. If they need to keep time sheets about particular activities or report incidents to other agencies, the hotline will be their guidance point. That should produce a more coherent policy response to antisocial behaviour.

As for measurable outcomes, in the past year crime in South Derbyshire has fallen by 10 per cent. Detection of crime has risen by 9 per cent., burglaries are down by 2 per cent., auto crime is down by 7 per cent. and violent crime is down by 8 per cent. That is pretty much a clear message from the community, working through the partnership and the local police to address the problems that we face in South Derbyshire with a high degree of efficiency. We can always do better—and I always urge all the agencies that I deal with on this issue to do better—but progress has been marked.

I am looking forward to future measurements of perceptions and fear of crime in the community. One of the problems in South Derbyshire was the fact that although crime rates were low, people's perception of them, partly fuelled by what they read in the newspaper or saw on television, meant that they were worried about the subject. One of the critical tests of the sort of work that has been done is whether that fear of crime will start to drop, as well as the crime rate itself.

Let me try to draw some lessons. First, local partnerships in our area work. That is partly down to the local people, not just to an organisational structure. As I gently pointed out to the Minister at the start of my speech, this partnership can comfortably be held up as the best in Derbyshire; there are others that do not work as well. It is therefore perfectly fair to say that the success of that partnership stems from the way in which local people solve problems together. South Derbyshire is a very pragmatic community, and if there is a problem, people talk about it and want to find a solution; they are not tremendously interested in posing and saying, "I represent this group. Let me have my say before anyone gets on with the job." Local people want to find solutions, and all credit must go them for the way in which they have worked together to produce solutions. That suggests that such a partnership works well if we find the right people.

Secondly, there is now greater confidence that the initiatives that are being taken suit local priorities. Instead of the top-down processes of controlling crime and crime prevention, we have a process that picks up the concerns raised by local people themselves, which is helpful.

Thirdly, we are building networks of information. If we start building confidence about how things work, people start talking more about which solutions they see as valuable. That is positive too, because it builds local resilience. Parts of South Derbyshire—a former mining community—have not tended to see the flowering of organisations that develop their own way of solving things. Robust locally led initiatives build that confidence, leading people to say, "We can do other things, too."

The last point is that we need to analyse what works. I have set out some of the things that I think work in South Derbyshire, but I have a suspicion, which is borne out a little by the inspection of the Derbyshire constabulary, that the analysis of what is working and what may not be working is not being done as rigorously as we would like. I am sure that that is a problem nationally, not just in that county.

[Mr. Mark Todd]

In the last few minutes, I want to touch on the future. I confess that I have concerns about the suggested reorganisation of policing in my area. First, it is being suggested that Derbyshire will be merged into one unit with Nottinghamshire or into a much larger east midlands force. I have no problem with increasing co-purchasing activity and sharing specialist services within policing, and Derbyshire and Nottinghamshire already work together on a helicopter unit. It is perfectly obvious that many other policing units should be shared across forces, because they would be much more efficient. In any reorganisation, however, I would want to make sure that local successes were not endangered by the top-down model of a larger force and an attitude of, "We do things like this. Your way doesn't quite fit." Our way does fit in my community, and I do not want to lose that.

Secondly, I am concerned about the possible focus of the larger unit. It would be natural for a larger force to say, "Where is crime greatest? Let's focus all our endeavours and our best resources on addressing the problems there." As I have already accepted, people in South Derbyshire can, I am glad to say, generally walk the streets without fear and get on with their lives without hassle from others. Although I understand the desire to focus on bigger things, I would not want to lose the focus on success in local areas such as mine.

I have some concerns about future funding. Representatives of the Derbyshire constabulary will be coming down to meet Derbyshire MPs shortly to discuss their expectations for the future budget, and the indications that I have seen are that they may well face a very tight year. I would want some reassurance that those early indications are false, and in particular, that basic command unit funding, which has been one of the successes in supporting initiatives in my community, will be retained and raised.

Finally, police community support officers have just arrived in my area. Generally speaking, they have been a success. There are strong arguments for giving them greater powers. Some nuisances, such as traffic offences relating to parking and speeding, would be well addressed by PCSOs. That resource is not readily available in my community at the moment, because they do not have the powers to do that particular job, but I would like to see their powers extended.

The partnership is a local success, which should not be endangered by changes driven from the centre, or top-down from above. Local people have the confidence to make it work, and I hope they can continue to do so.

1.45 pm

The Parliamentary Under-Secretary of State for the Home Department (Andy Burnham): I congratulate my hon. Friend the Member for South Derbyshire (Mr. Todd) on securing the debate and on doing something that will be appreciated by people throughout his area—showing that there are strong partnerships and good local schemes that are given due attention and praise. I pay tribute to my hon. Friend for doing that and for rewarding those working in his constituency who make a success of such matters.

In his characteristic way, my hon. Friend painted a positive picture of the work that local agencies have in hand to reduce crime and disorder. Partnerships, when they are genuine and when people come to the table wanting to make things work, can achieve more together than individual agencies can. That is the essence of a true partnership. We have something to learn from what my hon. Friend described; crime and disorder reduction partnerships throughout the country could usefully listen to what he said.

My hon. Friend's constituency and mine share some characteristics, as both are former mining areas. I strongly agree with what my hon. Friend said about the collapse of traditional industries in those areas; they left a legacy of social problems that we are still grappling with today. The loss of the traditional fabric of those communities and their destruction left social problems in their wake that we are only now beginning to understand and to deal with. What my hon. Friend said has a resonance that goes much wider than South Derbyshire.

The solution to these problems cannot be achieved by just one agency; everything is not all the fault of the police, or all the fault of the council. The answer for local people should be about making sure that the whole community accepts responsibility for dealing with such issues.

I will say more later about my hon. Friend's constituency, because it is interesting, but first I want to say a few words about the overall picture. As he rightly said, crime is low and going down, but the perception of crime remains high. That has something to do with how newspapers and other media report crime. In fact, crime has being falling dramatically for the past decade. Since 1997, overall crime, as measured by the British crime survey, is down by 35 per cent., with significant reductions in crimes such as burglary and vehicle crime. According to the BCS, violent crime, which is subject to much media comment, fell by 34 per cent. in the same period. That is not to say that there have not been increases in police-recorded violent crime, which has attracted comment, and that has driven some of the reporting and public perceptions. But those increases have largely been due to changes in the way in which such incidents have been recorded, and to increased police activity, as a result of which more minor violent offences are being reported and recorded.

None the less, we recognise the disproportionate impact that crimes of violence can have on a victim's confidence and that of their community. We therefore introduced the Violent Crime Reduction Bill—as foreshadowed in our manifesto, on which my hon. Friend and I stood for election—to give the police and local communities the powers that they need to tackle guns, knives and, importantly, alcohol-related violence and violent crime. Those measure are as important in South Derbyshire as they are in Greater Manchester, and when the Bill comes into force it will further empower organisations such as the Safer South Derbyshire partnership to bear down on some of the problems described by my hon. Friend.

The figures therefore represent a significant achievement, which is often overlooked in the general desire to comb crime statistics for the most negative news. As a result of the reduction in the number of crimes, many fewer victims have had their lives ruined by destructive criminal behaviour. The risk of being a

victim of crime is now down by a quarter since 1997. That means that 3.3 million fewer people fall victim to crime every year.

There is also, of course, the low-level crime and antisocial behaviour to which my hon. Friend alluded, which the figures do not always pick up—but I believe that we are getting a grip on antisocial behaviour and low-level disorder and thuggery. Strong partnership working, and using legislation, has helped to make our streets and communities safer. As my hon. Friend knows, the Home Office has been developing the respect agenda since the general election, and there will be further measures associated with that soon.

Overwhelmingly, people want to live with peace of mind, and to be free from nuisance and low-level thuggery. We need to carry on introducing the necessary measures so that people have that peace of mind. According to the British crime survey, people's fear of crime has lessened in the past few years, and we should be proud of that.

We are not resting on our laurels, however. The Home Office's five-year strategic plan sets out an ambitious programme of reform to continue to reduce crime. Key elements of the programme include the prolific and other priority offenders strategy, which, as my hon. Friend rightly said, targets existing prolific offenders and the young people who are most at risk of joining them. His constituency will be not unlike mine in that there is often a hard core of troublemakers, around whom another fringe will gather. That is often the pattern of antisocial behaviour in a particular area, and as he said, we can have a real bearing on reducing crime by targeting those most prolific offenders.

We have the ambitious target of reducing overall crime by 15 per cent., and this is the first time that a Government have set such a challenging target. We have also established the National Offender Management Service to oversee the end-to-end management of all offenders, which will help to reduce reoffending and rehabilitate offenders. We are taking action to tackle alcohol-related crime and disorder, and the selling of alcohol to those under 18, and there are other measures in the Violent Crime Reduction Bill to introduce sanctions against the possession of illegal firearms.

Having set out the general context within which the Home Office is developing policy in this context, I shall use the remaining time to talk about the local picture in South Derbyshire. All the measures that we are introducing in this place—I believe that my hon. Friend would agree that we have introduced many in recent years—will be meaningful only if there are strong partnerships at local level that aim to do something with those powers, and to use them in a targeted but proportionate way.

I listened carefully to what my hon. Friend said about South Derbyshire not being an ASBO capital. Indeed, I asked that very question when I prepared for the debate and examined the figures on ASBO use in South Derbyshire, which show that, given the overall crime picture in the area, ASBOs are being used carefully. The threat of the sanction of an ASBO is obviously being used proportionately and in a targeted way. That is interesting, compared with what happens in other parts of the country, and it is worth reflecting on.

My hon. Friend mentioned several initiatives in which the Safer South Derbyshire partnership has been involved. I am convinced from what I have seen that it is making extremely good progress in tackling crime and disorder. Its strategy, which is available on the internet, shows a confidence and a willingness to engage with local communities, and an openness about priorities and how they will be tackled. It is commendable that people have ready access to that document.

For the next three years, the partnership's priorities have been identified as including measures to address domestic burglary, vehicle crime, antisocial behaviour, domestic violence, drug and alcohol misuse and the fear of crime more generally. It has a strong structure and an ethos of partnership working that is the envy of many, and is a model for my hon. Friend's area. Key posts are occupied by motivated and experienced people, which is one of the key strengths of its work.

My hon. Friend mentioned a football league project. He knows that he was preaching to the converted there, because I have long believed that sport can be a key diversion away from crime. He and I would probably share the view that we do not use sport enough to take young people away from crime. The success of the partnership may begin to break that mould, and may help to introduce the use of diversionary sport more widely. I have witnessed the success of the midnight leagues project in parts of the north-east, which is partly funded through the Coalfield Regeneration Trust. That is a fantastic scheme, with which we can do more.

I was interested to read in my briefing for this debate that the Safer South Derbyshire partnership has a "youth engagement through sport" officer. I cannot believe that many other partnerships have such a post, and I think that it is a fantastic idea; I should like to meet that individual if my hon. Friend ever brings him or her to Parliament. There is a strong team of people, with clearly defined functions within the partnership. That must be part of its success.

I was interested in what my hon. Friend said about the work with old people and the liberation day project. I am aware of similar projects in my area. It is important to bring young and old people together to communicate, to hear about each others' lives and to get a better mutual understanding. There is a tendency in parts of the media—perhaps politicians should bear some of the blame for this—to demonise young people and characterise them in a particular way when there are many decent young people, just as there always were. By bringing the two groups together we can do more to facilitate inter-generational understanding, and thereby address the fear of crime. I was interested in what my hon. Friend had to say about that, and I would endorse it entirely. The safer homes project seems a fantastic scheme. Again, other partnerships could usefully look at that.

My hon. Friend also asked me to reconsider the reorganisation of local policing. He wanted to be sure that local success was not endangered, and that is a key factor. Whatever structure emerges—and I urge him, and his local communities, to express their views in the consultation on policing reorganisation—local success must be maintained. He will know that the Government's commitment is to neighbourhood policing, and it is

[Andy Burnham]

entirely consistent with that that local, strong, bottom-up policing can sit within a broader strategic police force. That is crucial, but I hear what he said on that point.

My hon. Friend also spoke about the focus of a larger force, and about not losing touch with a more rural area, or a low crime area, when that focus is quite broad. That is true, and that factor needs to be borne in mind. We could make further progress in reducing crime in such areas, perhaps more than in the more challenging areas, and we should reflect further on that idea. He also asked for more powers for PCSOs. Those issues have been raised, and as PCSOs become more established members of the policing family, the case will begin to be made. I heard what he had to say about that, too, and I will relay those comments to my right hon. Friend the Minister for Policing, Security and Community Safety.

Finally, funding is an issue that preoccupies all police forces. I will be interested to hear what my hon. Friend has to say when the representatives of the Derbyshire force come here to brief our colleagues.

This has been a good debate, and South Derbyshire deserves—

It being Two o'clock, the motion for the Adjournment of the sitting lapsed, without Question put.

Westminster Hall

Wednesday 2 November 2005

[MR. ROGER GALE *in the Chair*]

Community Hospitals

Motion made, and Question proposed, That the sitting be now adjourned.—*[Mr. Roy.]*

9.30 am

Mr. Graham Stuart (Beverley and Holderness) (Con): I am grateful for the opportunity to speak about a highly regarded local service: the community hospital. I do so on behalf of all those whose community hospitals are under threat—sadly, a growing constituency throughout England—and, in particular, on behalf of my constituents, who want to defend two much-loved institutions: Withernsea and Hornsea community hospitals. There is a third community hospital—the Beverley Westwood—in my constituency, but fortunately that is not currently under threat.

Hon. Members will recognise that, in a predominantly rural area with poor roads, poor local transport facilities and an older-than-average population, this issue is of the greatest consequence. I plan to talk first about the situation in my constituency and then to discuss the national crisis in community hospital care. I shall not make any promises about how short my speech will be, because I have noticed that other hon. Members never seem to keep theirs.

Hornsea and Withernsea are coastal resort towns with older-than-average populations. On a good day, each is a 40-minute drive from the other and from Hull. Both suffer from poor transport infrastructure. Neither has a railway station. Hornsea does not have a single A road and has a patchy bus service. One elderly constituent told me that returning home to Hornsea from Castle Hill hospital in Hull once took her four hours using public transport—she left at 2 pm.

Each town has a community hospital providing beds and a minor injuries unit. Both enjoy tremendous local support: each has an active friends' group that raises many thousands of pounds to improve the experience of patients. The two hospitals are run by Yorkshire Wolds and Coast primary care trust, set up by the Government with a financial deficit from birth. During this year, the PCT has gradually lifted its prediction of deficit. At the beginning of the year, it was £4 million. Then it was £6 million and then £8 million and now, astonishingly, it is £11 million. That is all in less than six months. The PCT has undoubtedly been guilty of some financial mismanagement, but it has also reeled under the effect of national policies to which I shall return. Earlier in the year, it merged its management with East Yorkshire PCT, whose chief executive took over at Yorkshire Wolds and Coast, and, although technically separate, it has been run by a joint board ever since.

A review process into the viability of four local hospitals—Hornsea and Withernsea, in my constituency, and neighbouring Bridlington and Driffield—was instigated by Yorkshire Wolds and Coast PCT after it published details of the ballooning deficit. An independent consultant was brought in to produce a report on the viability of each hospital, and public consultation meetings were held in each town affected by the review. The conclusions of the first stage of the review, which ended in May, could not have been clearer. For Hornsea, it recommended closure, citing low bed occupancy and a significant and expensive programme of backlog maintenance.

That announcement had a huge impact on the region. People were understandably angry. They were also hungry for information. That is where the PCT let itself down badly. Throughout the review process, which has now lasted almost a year, it has been extremely difficult to determine its strategy. I asked for the brief given to the consultant for each hospital review. In Hornsea's case, he was simply asked to save £500,000 a year and to find a £1 million cash windfall. There was no mention of health improvements, just hard cash.

The PCT made out at "pre-consultation" meetings in March that it was awaiting the consultant's report on the hospitals. Those meetings were a farce, with residents given no steer as to what might be planned or the financial pressures facing the PCT. Residents were split into "workshops" and asked to talk about what they would like to see in their local hospital. They were distrustful, and they were right to be. I found out later that the PCT had received the report from the consultant for Hornsea in early November the year before.

After nine months, the PCT finally announced its proposals in September, with a three-month consultation period to follow. At a packed joint board meeting in Driffield with more than 300 people in attendance, it was announced that Withernsea minor injuries unit would permanently lose its overnight service and that the service would drop from 24 hours to 12. At Hornsea, the MIU would be closed and the number of beds reduced from 22 to 12.

The people of east Yorkshire are extremely angry. The *East Riding Mail's* "Hands Off Our Hospitals" campaign, with the help of various voluntary and community groups, has collected more than 15,000 signatures in protest at the threat to our hospitals. More than 1,000 people have attended protest marches. I pay tribute to the hard work of people such as Liberal Democrat Councillor Polly Worsdale, Independent Councillor Barbara Jefferson and Joan Heathershaw of the Hornsea residents' association—all in Hornsea. I pay tribute also to Councillor Richard Stead, Councillor Chuck Hunter, Councillor John Parsons, the town's mayor, Stuart Woodruff, and Edna Harknett in Withernsea. There are many more people involved. This issue has brought together people of every political persuasion.

The proposed closure of the Hornsea MIU would be a particular blow. The PCT has not sought to commission an enhanced minor injury service from the GP practice, so what will happen to patients? Why do the isolated, the poor and the sick have to pay the price for the mistakes made by the Government and unelected quangos? Local people want to know.

I will now turn to the national picture. According to the *British Journal of General Practice*, there are 471 community hospitals in the United Kingdom, containing 18,579 beds. Community hospitals contribute enormously

[Mr. Graham Stuart]

to the quality of life of local people. In some areas, the community hospital is the only hospital service for many miles. They are close to people's homes, and patients enjoy the continuation of care provided by their own general practitioner or by local primary care teams. The low-technology environment in community hospitals generally proves more reassuring, especially to elderly patients.

One visit to Hornsea cottage hospital summed up for me the reason why people love their local hospital. I asked an elderly gentleman what it was like being in Hornsea. He said,

"What's it like? I was eight weeks in Hull Royal. When I woke up here I thought I was in bloody heaven."

The Government have also recognised the important role that community hospitals can play. "Keeping the NHS local: a new direction of travel", which was published in 2003, stated:

"Community hospitals can provide a rich variety of local health and other community services . . . one common theme for this type of hospital is a key role in the provision of intermediate care."

It went on to say—remarkably—that the first principle that should guide any alteration in services should be

"developing options for change with people, not for them."

The Minister will, perhaps, explain whether that is what is happening in Hornsea or Withernsea at the moment.

Mr. David Drew (Stroud) (Lab/Co-op): Will the hon. Gentleman agree with me that one of the problems with community hospitals is that the relationship with the care sector, particularly care homes, has never been properly defined? There is an overlap of people, sometimes because of delayed discharges, and that can cause confusion because of the different pricing mechanisms that are in place. In a sense, community hospitals are free, although we know that the cost is higher, but within the care sector they are paid for. That matter needs to be sorted out as a priority.

Mr. Stuart: I completely agree with the hon. Gentleman. There is a huge issue related to tariffs and the way in which, when patients come out of an acute hospital to go to the community hospital, the PCT is financially rewarded for the service that is being provided. There are also issues related to care homes. As it happens, there is not one nursing home in east Yorkshire—that is another failure of care in the current situation. Opposition to cuts in Hornsea and Withernsea appears unanimous.

The Labour party's general election manifesto earlier this year pledged to

"help create an even greater range of provision and further improve convenience . . . we will over the next five years develop a new generation of modern NHS community hospitals."

Despite the rhetoric, however, we find ourselves in a position where the threat of closure or service cuts looms over community hospitals throughout the UK. Along with Hornsea and Withernsea, Felixstowe, Aldeburgh, Henley-on-Thames, Wantage, Wallingford and Didcot are all under threat. We will hear about other hospitals later in the debate. Evesham hospital is to lose two wards. The maternity ward at Malmesbury is to go. There is a long list, which will be added to during the debate. We believe that there are about 90 community hospitals that face threats of cuts or closure.

Mr. James Gray (North Wiltshire) (Con): My hon. Friend mentioned the maternity ward at Malmesbury. He may not be aware that, thanks to cuts by Malmesbury PCT, the whole of Malmesbury hospital is under threat—not only the maternity ward. Does he agree with me that Malmesbury provides a superb local service for local people? It is not only maternity services that are under threat there—it is the whole hospital.

Mr. Stuart: I am grateful for my hon. Friend's intervention. That only goes to confirm the ongoing and growing crisis in our community hospitals.

"The NHS Plan: a plan for investment, a plan for reform", which was published in 2000, not only committed the Government to introducing 5,000 extra intermediate care beds, but stated that there was

"near universal support for the development of 'care closer to home'."

Legislation gave PCTs explicit responsibility for funding most of the activities of the NHS in their areas. As the Under-Secretary of State for Health, the hon. Member for Birmingham, Hodge Hill (Mr. Byrne), said,

"It is for local health economies to make decisions on how to invest growing resources in ways that most effectively respond to the needs and priorities of their local populations."—*Official Report*, 26 May 2005; Vol. 434, c. 227W.]

Mr. Ian Taylor (Esher and Walton) (Con): My hon. Friend has touched on an important point. Many of the communities that have community hospitals have contributed to them through fundraising. The friends of Thames Ditton hospital in my constituency have done that for Emberbrook care centre, only to see the number of NHS-taken beds under threat because of PCT cuts.

Mr. Stuart: The point is well made and applies in many of the constituencies that are represented by Members who are present.

The truth is that extra money has gone into the NHS. Over the three years of the 2004 spending review, NHS spending will increase by 23 per cent. That will take total spending on the NHS in England from £69 billion in 2004–05 to more than £92 billion in 2007–08. The Minister will therefore appreciate the public's desire to know why, in the light of record spending, their local hospitals are under threat.

Had the Government done more to ensure that extra NHS funding got through to front-line services, more than a third of trusts would not be in deficit, and the prospect of job cuts, closed beds and reduced services would not be looming.

Mr. Geoffrey Clifton-Brown (Cotswold) (Con): My hon. Friend has just touched on the nub of the problem. No doubt the Ministers will trumpet all that extra spending. The problem is that it is not getting to the front line.

My PCT inherited an historic debt. It has been told that it must meet the deficit by April 2006; it has no time to adjust. That is why nearly all the cottage hospitals in my constituency are now under threat of bed closures, if not ward closures, if not entire closures.

Mr. Stuart: I thank my hon. Friend for his intervention. To channel anger at the situation at the PCT, however, is useless. As hon. Members will be aware, PCTs are not elected. They are wholly appointed bodies, and therefore the public cannot lay a finger on them. So much for the Government's commitment to accountability in the NHS.

People therefore turn their anger on the Government. What do Ministers do when the body that they appointed to run local health care runs up debts of millions and threatens the future of local hospitals? They throw up their hands and say, "Nothing to do with us."

The Prime Minister said in response to a question from my hon. Friend the Member for Mid-Worcestershire (Peter Luff):

"Decision making on the configuration of local services must be a matter for the PCT—that is the procedure with which I think we all agree."—[*Official Report*, 20 July 2005, Vol. 436, c. 1250.]

The Government were careful to ensure that just one line in the entire "Shifting the Balance of Power within the NHS" document referred to PCT accountability. That line was vital, however. It reads:

"PCTs will be accountable to the Secretary of State through the Strategic Health Authority".

That is indeed the case. National Government policy dictates how much money the PCT has and directs how that money is spent.

Anne Milton (Guildford) (Con): I would like to pick up on a point made about these budget deficits. The situation at Guildford and Waverley PCT is the same as that in many other parts of the country. With community beds shutting, people will either be admitted to acute trusts, where costs are higher, or there will be a cost-shifting exercise.

Does my hon. Friend agree that councils that are already struggling will have to pick up the tab for care at home or in the community? PCTs' deficits might be wiped, but social services and councils will have to pick up the rest of the tab.

Mr. Stuart: My hon. Friend makes several excellent points. The closure of beds and services at community hospitals will impact on ambulance services, which tend to be overstretched and unable to meet their targets, particularly in rural areas. That will lead to an increase in the inequity of health care in rural areas, where, as we know, the further someone lives from services, the less likely they are to use them.

A Government who are committed to equity should seek to ensure that not only people in cities but those in rural areas can access services. They must also ensure that savings in one area do not lead to increased costs in another. For example, the chief executive and chairman of the Hull and East Yorkshire Hospitals NHS trust told me that its bed occupancy is currently running at more than 100 per cent.

That is the backdrop in the acute sector at a time when hospital beds in Hornsea are closing. Elderly patients in Hornsea are now being turned away from beds there because the number of available spaces has been reduced from 22 to 12.

We do not dispute that the NHS has extra resources. In the unreformed NHS, however, each and every PCT is having to face the fact that many Government initiatives have proved to be more expensive than forecast. Central targets for waiting time limits and GP out-of-hours arrangements are disastrous; dentists earn £250,000 a year on the NHS while patients, including many in my constituency, are denied care; and there are difficulties in implementing the new GP contract. All the initiatives have taken their toll. The new centrally negotiated GP contract has been remarkable in its impact—GPs have received huge pay rises for doing much less—but it has had too little attention. PCTs are reeling under the impact, but the Government say that it is nothing to do with them.

My hon. Friend the Member for Boston and Skegness (Mark Simmonds) questioned Ministers on 13 November 2001 in a Westminster Hall debate on Skegness and District hospital. He said:

"if the proposed primary care trusts ran short of money, an obvious saving could be made by shutting a ward and using fewer beds. What safeguards will the Government put in place to ensure that that will not happen?"—[*Official Report*, 13 November 2001; Vol. 374, c. 236WH.]

He did not receive an answer from the Minister, but sadly we now know the answer—no safeguards and "Nothing to do with us." That is where the real anger lies. The proposals for Hornsea, Withernsea and countless other places are based not on clinical grounds but are the result of the PCT losing control of its finances.

When defending cuts to local services, the Government point out that PCTs are spending the money as they see fit to meet for local needs. Indeed, another Minister, the Under-Secretary of State for Health, the hon. Member for Birmingham, Hodge Hill, is on record as saying that

"local health care professionals have very properly surveyed the health needs of the local population, and have come to a set of recommendations, or provisional conclusions, about how to invest the resources with which they have been entrusted".—[*Official Report*, 22 June 2005; Vol. 435, c. 265WH.]

My response to that claim is, first, that local health managers are not enjoying the review process and the anxiety that it is causing residents and staff. They did not enter the profession in order to shut wards and close beds. They have been forced into that predicament by the Stalinist nature of Whitehall management. Secondly, a casual delving into the geographical and social character of my area will show that the PCT cannot possibly be looking out for the health needs of the local population. Instead, it is following the ever-changing edicts of a Government who still claim that is nothing to do with them.

The Government are keen to triumph with positive headlines for the NHS. When things go wrong, however, they tend to shrug off responsibility and lay the blame at someone else's door. That must not be allowed to continue. Ministers must start to find answers to this growing crisis. They should use the primary care consultation now being conducted; they should use the forthcoming White Paper; and they should use the desire to be Prime Minister or the Chancellor of the Exchequer.

[Mr. Stuart]

Whatever it takes, Ministers need to save our community hospitals. If they do not, a growing number of people will not forgive their attitude of, "Nothing to do with us."

Mr. Roger Gale (in the Chair): Many Members have indicated that they wish to speak, and one or two others who have not done so are rising. We have slightly fewer than 45 minutes before I start calling the Front Bench spokesmen at 10.30 am. I therefore urge hon. Members to be relatively brief.

9.48 am

Tony Baldry (Banbury) (Con): I will adhere to your stricture, Mr. Gale, and I can tell the House that the full text of any documents to which I may refer can be found on my website, www.tonybaldry.co.uk.

In its general election manifesto, the Labour party promised a new generation of community hospitals. During the summer, I tried to discover by way of parliamentary questions what was meant by a new generation of community hospitals. I was told that Ministers' thinking was at an early stage.

In desperation, on 13 October I wrote to the Secretary of State asking what was meant by a new generation of community hospitals, who would fund them, who would run them, who would pay for them—and whether they would have beds. I did not receive the courtesy of a response from the Secretary of State, but I did receive a letter from Lord Warner, a Minister of State in the Department of Health. I shall share with the House three paragraphs of his letter, and my response to them.

Lord Warner, being an elegant Member of the other place, started his letter with an apology:

"I am sorry that previous correspondence on community hospitals has failed to elaborate on the details of the manifesto commitment. However, we are keen that the 'Your Health, Your Care, Your Say' consultation is a genuine listening exercise and do not want to pre-empt the outcome of it."

I replied:

"This is bizarre. The General Election that contained this commitment was over six months ago. In the meantime, Primary Care Trusts and people locally are left in limbo, with no clear guidance as to what the Government means or intends when it refers to a 'new generation of community hospitals'.

You seem incapable of even explaining or answering whether such new community hospitals will be hospitals with beds, or without beds. This is also of importance to local acute NHS Hospital Trusts, such as the Oxford Radcliffe NHS, who clearly from their recent strategic planning document, envisage community hospitals with beds increasingly being able to help resolve the perennial problem of bed-blocking."

Lord Warner replied:

"Policy officials are currently undertaking scoping work to consider the range of services that a modern community hospital could offer. This will be shaped by the outcome of the consultation, and I would not want to speculate on the outcome of the work at this time."

I responded:

"How can the Government promise a new generation of community hospitals when the Government seemingly have absolutely no idea what services those community hospitals should deliver? This is crazy. In Oxfordshire, there was a comprehensive review of community hospital provision in 1998 when these issues were considered exhaustively, and where the Minister of State, Alan Milburn, promised the people of Bicester a new and enlarged community hospital with 30 beds. There was no confusion at that time among officials as to what a community hospital should look like, and as to what services it should deliver."

Lord Warner replied:

"Turning to your concerns about ownership and running costs, 'Commissioning a patient-led NHS', published by the Department of Health in July, indicates that PCTs need to identify the most appropriate providers of community services. Therefore, decisions about ownership, management and running costs will be made locally."

My response was:

"This is complete gobbledygook. Who else at the moment, apart from primary care trusts, are going to be running community hospitals? If it is your intention that the responsibility for community hospitals passes to acute NHS trusts, then say so. This matter is even more confused in Oxfordshire now that the strategic health authority has simultaneously indicated that the existing PCTs in Oxfordshire are going to merge into a single primary care trust, and that management of that primary care trust is almost certainly going to be put out to the private sector. So there is now complete limbo in decision-making until some time next year, when we see the emergence of a single trust and are clear as to who is going to be running that trust, and on what basis."

Mr. Graham Stuart: I wonder whether my hon. Friend heard the announcement of the former Secretary of State for Health, before the general election, that new community hospitals would all operate within the NHS and would be run by primary care trusts. I wonder whether he has seen the flip-flopping of the Government on this matter.

Tony Baldry: It is grossly unfair that decision taking is now in complete limbo, which is made worse by the Government's failure to explain what community hospitals should look like, whether they have beds, or who will run them. Acute hospital trusts see those hospitals as a solution to bed-blocking. The strategic health authority is totally incapable of even answering letters about community hospitals, other than in the most general of terms, because they clearly do not know what Ministers' thinking is. Ministers do not seem to know what their thinking is about the future of community hospitals.

The last letter to which I draw my colleagues' attention is one signed by me and my hon. Friends the Members for Witney (Mr. Cameron), for Wantage (Mr. Vaizey), and for Henley (Mr. Johnson) to *The Oxford Times* last Friday in which we state that the NHS in Oxfordshire is in freefall. The strategic health authority expects the Oxfordshire health economy somehow to save £35 million between now and the end of the financial year. Decision taking is in complete chaos, and there is a complete lack of guidance from Ministers as to what they expect. That is against a background of cutting and slashing over the next few months. It is absolute chaos.

I do not think that a Minister has been seen in Bicester since 1997, other than a fleeting appearance by the Home Office Minister to discuss the asylum centre. I would genuinely welcome the Minister to Bicester to talk to its people about community hospitals. Indeed, my Labour party opponent at the last general election invited Ministers to come to Bicester during the Labour party conference. They would be most welcome to try to explain the chaos to everyone in the Oxfordshire health

economy. I am sorry that, given the time constraints, I have not been able to take colleagues through the full texture of the debate. As I say, please look at my website, which shows how chaotic decision taking is in the area of community hospitals in Oxfordshire and, I suspect, elsewhere.

9.55 am

Mr. Edward Davey (Kingston and Surbiton) (LD): Already the cases we have heard today have echoed my experience. I am sure that we are about to hear similar accounts from other hon. Members.

In August, the Kingston primary care trust announced, totally out of the blue, that it wanted to close Surbiton hospital. We were told not to worry and that that would be temporary. A new survey had been received on the roof and, because of one little leak in one room, the trust thought that there was a case for closing the hospital. The survey found that to replace the roof entirely, which was apparently the only option that could be considered, would cost £300,000 and bust the budget. Health and safety required that all the elderly patients in the hospital were moved out. Some had been there for years. The out-patient facilities were also closed. One can imagine the local uproar.

When people asked when the hospital would reopen, the PCT could not answer. There was no plan and no strategic approach, and people were concerned and suspicious. They went on websites and looked at what was happening in other parts of the country, and their suspicions grew.

Dr. Julian Lewis (New Forest, East) (Con): The hon. Gentleman is right to recount that tale, because it is replicated wherever we look. In Lyndhurst in my constituency, Fenwick hospital was "temporarily closed" because of a shortage of staff leading to health and safety concerns. Once that was rectified, did it reopen? Not likely.

Mr. Davey: I am disturbed, although not surprised, to hear that account. That is our worry in Kingston and Surbiton. Since that August shock, we have had meetings with the PCT. I have had private meetings. We have also held public meetings. We have held consultations and had meetings with the strategic health authority. I met Lord Warner to put the case and the whole process is ongoing. I do not think that the hon. Gentleman will be surprised to learn that, as a result of a long process, one is more confused than clear about the situation.

National policy impacts on such cases. The infamous letter of 28 July from Lord Warner to PCTs and strategic health authorities across the country has created such instability and confusion that the ability of local managers to plan and to take strategic decisions has, frankly, been taken away. That is not their fault but the fault of the Department of Health. All the cards have been thrown up in the air. That, as I shall explain shortly, has created lots of difficulties with knowing how GPs and PCTs can plan ahead.

There is also confusion when one tries to work out what the local policy is. When one tries to test the arguments about the roof and the health and safety issues, they do not stand up to scrutiny and one's suspicions are increased. In my meeting with Lord Warner, he explained that I had nothing to worry about, that the reorganisations would not impact on any local decisions and that he would require the strategic health authority for south-west London to take whatever decisions it needed to. Of course, the strategic health authority was pleased to have that ruling, although it is fighting for its life and is not even sure that it will be around in a year's time. It is nice to have those words from Ministers at the Department of Health, but how it will impact on the ground is, I am afraid, very different.

It seems to me that the local policy makers are driven by two factors: the confusion in national policy and another aspect of the proposed changes, which is the fact that the PCTs, however they are configured in the future, will not be direct providers of services. A lot of the PCTs and their management want to get in early and to divest themselves of services that they can push off into the local care sector or to other providers. *[Interruption.]* Hon. Members are saying from a sedentary position that Ministers have changed the position and are saying that PCTs "may" have to divest themselves of services. However, the managers on the ground are still fearful that their careers will be built around the number of services of which they divest their trusts. That may be how the ruling is worded, but the reality for the NHS bureaucrats is that they feel under severe pressure to divest their trusts of services.

The other issue that is driving decision makers, certainly in south-west London, is the budget. The strategic health authority for south-west London has been told that the sub-regional health economy must come in on balance this year and that all the different trusts in the area must sum to zero. However, one or two acute trusts, particularly St. George's in Tooting, have massive deficits. Everywhere else is expected to come into surplus to make up the difference. That is not in any consultation paper. It is not even admitted, when that obvious fact is pointed out. However, it is clearly driving what is happening. There is a desperate wish to make short-term savings, and bad long-term decisions are being made to balance the books by April. That is a real problem.

As to our local battle, I hope that through our arguments and the pressure that we exert we shall be able to prevent some hospitals from shutting in the short term, and that we can save out-patients, even if it appears that those concerned are determined to move in-patients. That, at least, will give my constituents and the community time to regroup so that we can develop an alternative long-term vision, to take up the Government's pledge to provide proper, modern community hospitals and to test their vision. We have a vision in Kingston and Surbiton of a modern, 21st century, state-of-the-art community hospital, which provides in-patient services but which also provides a portfolio of out-patient services—more than are provided on the site now—that could relieve pressure on the acute hospital at Kingston.

As an example, the audiology department is under huge strain, with the laudable digital hearing aid programme that the Government have set in train. However, it does not need to be offered on an acute hospital site. That service could easily be provided on a community hospital site. The community hospital movement needs to get a grasp of such changes to the

[Mr. Davey]

configuration of services, and so do the Government. We can provide primary care services of that kind more effectively through an expanded and modernised community hospital movement, and in doing so save money and remove pressure from the acute services, whether in their car parks, their accident and emergency departments, or their diagnostic services.

Community hospitals are part of the solution, not part of the problem, as far too many people in the health service seem to think. Whether Surbiton or other community hospitals are at issue, I hope that the Minister will listen, and move fast to ensure that the reorganisations elsewhere in the health service will not get in the way of sensible long-term planning.

10.4 am

Sir George Young (North-West Hampshire) (Con): I congratulate my hon. Friend the Member for Beverley and Holderness (Mr. Stuart) on his choice of subject and the way in which he delivered his speech. What he said touched a chord in many of us. The fact that so many hon. Members are present listening to the debate and hoping to take part shows how important a subject it is. I am delighted that my hon. Friend the Member for South Cambridgeshire (Mr. Lansley), the shadow Secretary of State, is here.

I want to be fair to the Government at the beginning of my remarks, as it is not clear to me from the debate that anyone else will be. They have put resources into the NHS, and I welcome that. There have also been improvements in the quality of the care received by our constituents. Indeed, I shall shortly be opening a new nursing home on the site of Andover hospital, jointly funded by the NHS trust and Hampshire county council. We can debate elsewhere whether the improvement in care has been commensurate with the increase in cash. We can also debate whether the increase has been fairly spread throughout England. I shall mention that in a moment.

In addition to being fair, I want to be realistic. I recognise the case for change in the buildings that the NHS uses. Patterns of treatment change, lengths of stay reduce and medical science advances and becomes more specialised. Critical mass is needed for a district general hospital; there cannot be one in every town. New guidelines on safety indicate what operations can take place where. Old buildings are, of course, expensive to run, and more care can be provided at home. Therefore, the NHS needs to be responsive to the changes.

Against that background, my local trust produced a consultation document on the future of my local community hospital in Andover. That should have been an opportunity to discuss how the extra cash that is going into the NHS might be used to expand and to improve the services in a fast-growing town. Andover War Memorial hospital, as the name implies, was built by public subscription after the first world war when Andover was a fraction of its present size. It is a much loved institution with dedicated staff, but parts of the building are now seriously substandard. It provides a portfolio of services—minor injuries, maternity, out-patients, therapy and diagnostics—but for anything more serious one has to go to Winchester. Some 67,000 people look to Andover for hospital services, and that number is about to go up.

The people of Andover and I would like the consultation exercise to result in the provision of a wider range of high-quality services in a modern building, reducing the need to travel to Winchester. I echo the point that was made by the hon. Member for Kingston and Surbiton (Mr. Davey). The problem with dependency on Winchester is that there is no direct train service, the bus service is infrequent and the journey lengthy, and there is nowhere to park. As Andover overtakes Winchester in population size, we see the review as an opportunity to move the centre of gravity of NHS service provision closer to the population that it serves.

We are not after a new district general hospital. We just seek improved and rebalanced terms of trade. However, there is deep concern in the town that we will not get that. People suspect that the consultation exercise is driven as much by the need to save money as by the need to improve care. The document says:

"we need to make . . . changes to ensure it remains . . . affordable".

As a result, there is a lively and broad-based campaign to fight for the hospital, led by Derek Robinson. The local paper, the *Andover Advertiser*—I mention it in the hope that it will mention me—has given extensive coverage to the debate. Public meetings have been packed.

There is reason for that concern. The annual report of my primary care trust, which arrived yesterday, says that to balance the books in the current year, it has to save more than £11 million. Last year, it ended up owing £17.5 million while being owed £4.5 million. The financial position of what is called the health economy in Hampshire is deeply serious. The fear is that there will be no resources to modernise Andover hospital and that, in order to cut costs, more services will migrate to Winchester. At the heart of the issue is the formula for distributing the cash. I hope that the Minister will say that she is able to review that formula. Hampshire gets about 80 per cent. of the England average, and with that we cannot provide the quality of care to which people are entitled. Therefore, we have financial recovery plan following financial recovery plan. We have now been told to rub out the deficit in the current year. In Andover, we are ambitious but realistic. We want a fair outcome from the consultation exercise, as my hon. Friend the Member for Beverley and Holderness does from his.

I want to end by raising a key issue that is not unique to Andover, and which could affect every constituency with a community hospital that needs renovation. I refer to a policy that is wholly indefensible, and which the Minister can and should change today. Part of the site of Andover hospital is to be sold. I have no philosophical difficulty with that if all the new services that we need can be provided on a smaller footprint, and the capital receipts from the disposal can fund them. The land is to be sold in two years' time for £1.5 million—the estimated best price in the open market. However, that is less than the book value, which district valuers have assessed at £4.2 million. I do not know how they arrived at that figure; I should have thought that a building providing health services at nil cost had a negative value.

At this point in the dialogue, an uninvited guest arrives, namely the Treasury. The Treasury has spotted the gap between the open market value and the book

value and has demanded what it is pleased to call an estate impairment charge. It is not even prepared to wait until 2007 to get its pound of flesh. More than £500,000 is being added to this year's deficit for the alleged injury being done to the NHS estate.

That is Treasury theology taken to an absurd degree. That tax on disposal is a major disincentive to rationalisation and is going to lead to a reduction in services in the current year. I have pursued the matter twice with Ministers, and their replies are straight from "Yes Minister":

"Impairment charges to the revenue account are in many respects analogous to depreciation charges and . . . measure the consumption by an entity of its economic resources."

They continue:

"A fall in value does not represent any error or over-estimation of the initial valuation, but rather the difference in economic value between a productive asset employed in delivering healthcare and one in which its value is merely the potential to realise sale proceeds."

The Government have recognised that that is nonsense, because they have set up a separate fund to compensate the trusts that have to pay the charge. Sadly, the Treasury has got at that fund, too, and it meets only part of the cost, leaving a £500,000 shortfall this year in Andover.

Let us sweep away this nonsense. If land and buildings are surplus, they should be sold at best value, but let us not accentuate a bad problem by allowing that absurd theology to add to the burdens of heavily indebted trusts. If nothing else happens this morning, let the Minister at least recognise that absurdity.

10.11 am

Mr. Geoffrey Clifton-Brown (Cotswold) (Con): I am glad to catch your eye, Mr. Gale. I am grateful to my hon. Friend the Member for Beverley and Holderness (Mr. Stuart) for raising this important subject. I am also grateful to the Minister for being present, and I have forewarned her of one or two of the questions that I shall ask. I am glad to see that my hon. Friend is recovering. Judging by the way he waved his arm this morning, he is clearly not in pain, so someone must have been treating him properly.

Gloucestershire has a problem, in common with many of the areas represented by Opposition colleagues—there are a great many Opposition Members present, but very few Government Members, which must tell us something about this debate. All my cottage hospitals—Tetbury, Fairford, Bourton-on-the-Water, Moreton-in-Marsh and, to a lesser degree, Cirencester—are threatened with bed closures, ward closures or complete closure. The reason is that Cotswold and Vale primary care trust inherited a £5 million historical debt and has been told that it cannot overspend at the end of this financial year—it must close that deficit, come what may. The only way in which it can make up that amount on a £100 million budget is to close either wards and beds or complete hospitals.

As my right hon. Friend the Member for North-West Hampshire (Sir George Young) said, PCTs are being bribed with the possibility of new and better facilities. However, given that PCTs will all be merged—that is likely to happen in Gloucestershire before it does in the rest of the country—I do not think that some of those new facilities will ever emerge. My first question to the Minister, therefore, is how many PCTs in the country achieve financial balance without any external support? My contention is that most have a financial deficit.

Following on from what the hon. Member for Kingston and Surbiton (Mr. Davey) said, I note that 70 to 80 per cent. of admissions in many areas are to the local hospital, whether it is a community or acute hospital. In Gloucestershire, that figure is down to only 10 per cent., which leads to an absurd and unsustainable situation, because people are travelling 3 million miles to get to their out-patient appointments. Clearly, that is unsustainable and undesirable, and the problem will not be solved by April. The ultimate solution must, therefore, be to keep community and cottage hospitals open, operating at full capacity and treating people to the best of their ability, whatever that means in terms of modern scientific developments and modern diagnostic possibilities.

The Government are changing their system for measuring the viability of local hospitals and moving to a system of payment by results and practice-based commissioning. I therefore have two questions for the Minister. First, what work has the Minister done to see whether cottage hospitals will become more or less viable when they move to the payment-by-results system? My second question relates to practice-based commissioning, which, we are all told, is to be the new saviour of our cottage hospitals. Under this new system, there will be a plurality of providers, but what will happen when no provider comes forward to run the local cottage hospital? What safeguards will there be as regards the over-mighty foundation hospital? In Gloucestershire, the problem is that it is sucking in all the resources and making cottage hospitals even less viable. What safeguards will there be to prevent predatory action by the over-mighty foundation hospitals?

Mr. Drew: I declare an interest as a governor of an over-mighty acute trust. Does the hon. Gentleman agree that there is a problem? Our county has a dysfunctional system. The hospital of someone who lives in Gloucester or Cheltenham is the district general hospital, yet we are fortunate to have community hospitals. Part of the problem is that there is an urban and a rural split, which is very difficult to make sense of in health provision. Does he agree that we need to consider that problem very seriously?

Mr. Clifton-Brown: I entirely agree with my neighbour. Part of the problem is the differential in funding. Foundation hospitals receive an amount that is well in excess of inflation, whereas cottage hospitals are being starved of funds. Many other colleagues have referred today to the rurality of some areas in Gloucestershire, which are 25 to 30 miles away from the nearest district general hospital. That is a real problem in the middle of the night. I know of someone who died because they did not get to the district general hospital in time.

We do need to make better use of cottage hospitals. They are the long-term viable option and the environmentally friendly option, and they are the best option for the patient. The Minister and the

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Government were elected on the manifesto of strengthening our national health service. It is quite unacceptable that some people in this country are receiving a national health service that is vastly superior to that received by others. There should not be a postcode lottery. All areas, particularly the rural ones, should be fairly treated by their national health service. The formula for distributing the money should not be skewed, as it has been, so that ratings for the elderly and rurality are lowered. It is simply not fair that some hospitals in our large cities are thriving, but other hospitals in our rural areas are closing.

10.17 am

Mr. Jeremy Hunt (South-West Surrey) (Con): I shall talk about health inequalities, as they go to heart of the debate.

There are two different concepts of health inequality. The first is when one primary care trust receives less per head than another. The second is when two PCTs receive broadly the same amount, after weighting, but choose to spend their allocation differently. One PCT might spend more money on prescription drugs, another might spend more on acute care, and yet another more on community hospitals. One PCT might use its resources more efficiently than another.

David Taylor (North-West Leicestershire) (Lab/Co-op): Will the hon. Gentleman give way?

Mr. Hunt: May I develop the thrust of my argument, because I want to base my contribution on what the Secretary of State said last week? In essence, the Government are saying that the problems in community hospitals are caused by the second type of inequality; that differing local priorities or poor financial management are the culprits. I contend that the problem is the first type of inequality, in that PCTs in certain parts of the country do not receive the amount that they need to deliver expected levels of health care because of fundamental flaws in the weighting formula that allocates funds to different areas.

David Taylor: I should point out that there are more complex and sophisticated reasons for differences in the per capita funding of PCTs, not least age, profile, morbidity and other social statistics. Does the hon. Gentleman accept that an ideal system will not necessarily deliver comparable amounts per head even to adjacent PCTs?

Mr. Hunt: I accept the hon. Gentleman's point. Let me explain why I believe there to be a problem in the weighting formula. Guildford and Waverley PCT serves one of the most affluent parts of the country, and I fully accept that people there are relatively healthier, but against that must be weighed the fact that it is one of the most expensive areas of the country in which to deliver health care and it also has a much higher proportion of elderly people.

Guildford and Waverley PCT has received generous increases in spending. The spending for our area increased by 9 per cent. last year, and is due to increase by 8 per cent. this year—increases of £18 million and £19 million respectively. Despite that, it is in crisis. Cranleigh hospital, which is the community hospital in the constituency of my hon. Friend the Member for Guildford (Anne Milton), faces closure. The number of beds is being cut back in Haslemere and Farnham community hospitals. A specialist rehabilitation centre, Milford, which has an enormously long track record of helping elderly people from the area make a complete recovery after strokes, also faces closure. The PCT is currently closing one-third of the community beds as an emergency measure, despite the fact that that flies in the face of the agreed local NHS strategy.

What is going wrong? The PCT has apparently been overspending and it is being asked to reign in that spending. However, considering the funding allocations, it is spending 9 per cent. less than the national average, despite the higher cost of delivering health care in the area, but the funding formula after the weighting states that it is still spending too much. This year it is spending £16.3 million more than it should be, but the weighting formula states that it should be spending 17 per cent. less than the national average.

Let us be clear: according to the formula, the Department of Health expects one of the most expensive areas of the country for delivering health care, with a much higher proportion of elderly people than average, to deliver that health care by spending about a fifth less money than the national average per head. Why is that? It is simply because the weighting formula states that people in the Guildford and Waverley PCT area are healthier than those in other parts of the country and therefore it needs less money.

However, the effect of such a huge disparity in funding is not to decrease health inequalities but to increase them. For example, waiting times for ear, nose and throat surgery is up to 13 weeks in Manchester but up to 26 weeks in Surrey; people have to wait up to 15 weeks for breast surgery in Leicester but up to 24 weeks in Surrey; for trauma and orthopaedics in Sedgefield, to take a random example, people have to wait up to 13 weeks, but in Surrey they have to wait up to 36 weeks. In trying to eradicate health inequalities, the weighting formula needs to consider not only health outcomes, such as mortality rates, but access to health care. If it focuses only on health outcomes it ends up creating equality, but by punishing the most vulnerable people who happen to live in more prosperous areas by making it massively harder for them to access health care.

I say to the Minister that it is very easy to look at areas such as Surrey and paint them in one's mind as a uniformly prosperous place, but nothing could be further from the truth. Although the proportion of socially deprived people in such areas may be lower, those that are disadvantaged are often far more vulnerable than those in areas with widespread deprivation because they do not have access to many of the grants and funds targeted at more deprived areas. When waiting times are increased and access to community beds is decreased, wherever it is, the people who suffer the most are those who have the least and they are the ones who will suffer if the funding formula is not changed.

The Minister and I both support a well funded and fair health service, and in that spirit I ask her to recognise that many of the problems we are discussing are caused by a flaw in how funds are allocated. Of course, we need to take account of social deprivation, but we also need to take proper account of the cost of delivering health care and to promote fairness in access to health services. Sometimes mathematical formulae are designed to balance conflicting objectives fairly but they can also have perverse consequences, which is what is happening now.

10.24 am

Mr. James Gray (North Wiltshire) (Con): In the few moments left I want to congratulate my hon. Friend the Member for Beverley and Holderness (Mr. Stuart) on securing this important debate. The number of hon. Members who have wanted to take part in it shows the importance of the issue. However, the resignation of the Secretary of State for Work and Pensions, the right hon. Member for Sheffield, Brightside (Mr. Blunkett), will take this debate off the front pages tomorrow if the information from my pager is correct.

I will mention just two anecdotal situations in my constituency in order to give my hon. Friend the Member for Forest of Dean (Mr. Harper) a few moments to expand on the subject. First, the hospital in Malmesbury is under great threat. Several wards have already been closed; the maternity unit has been closed; the X-ray unit is being removed despite the fact that the friends of Malmesbury hospital paid for it in the first place. It appears that Malmesbury hospital will be closed; consultations are being taken on the matter but the likelihood is that anything that looks vaguely like a hospital will be closed. Why is that?

I had a most interesting experience in the summer when I visited something called the Avon, Gloucester and Wiltshire strategic health authority. It is unclear to me what a strategic health authority is. I said to the chief executive, "What is it? What do you do?" and he said, "Well, we are strategic," and I said, "Well, I'm glad about that."

In Wiltshire, the PCTs, and the primary care groups before them that were broken up from the Wiltshire health authority, are being brought back together in something that looks much like the old Wiltshire health authority. What do we have on top of that? We have Avon, Gloucestershire and Wiltshire strategic health authority, which I went to see. It has a huge office in my constituency with a car park jam-full of BMWs. I asked the chief executive, "Why are you closing our hospitals and cutting our services?" and he said, "Oh, that is all to do with this, that and the other." I said, "I'll tell you what it's got to do with: it's to do with the fact that you're employing all these fellows here in their BMWs. I'll tell you what to do: sell this great huge building in the middle of Chippenham, fire all these fellows, close down the strategic health authority and get back to the old Wiltshire health authority."

What we are seeing—we have heard about this from my colleagues across the patch this morning—is deep, damaging, hated cuts in NHS front-line services, and their replacement by bureaucracy and management. I say to the Minister: cut all that nonsense and spend the money—she must spend the money—on front-line services.

10.26 am

Mr. Mark Harper (Forest of Dean) (Con): I am grateful to my hon. Friend the Member for North Wiltshire (Mr. Gray) for allowing me time to speak briefly. I shall discuss the two community hospitals in my constituency—the Dilke Memorial hospital and the Lydney and District hospital. They are both supported by active friends' groups, which have raised a great deal of money not only for medical equipment at those hospitals, but, particularly at Lydney, for the physical infrastructure of the hospital.

I echo the concerns of some of my colleagues. Like many other PCTs, the West Gloucestershire primary care trust faces a significant financial problem this year: it has a deficit from last year, its previous forecast was for a deficit this year and it has been told that it must close all of that gap in this financial year. The trust is reviewing community health care in the area, and, although I am reassured that it wants to protect the community hospital facilities, I fear that its financial predicament may force it to take a different decision. It was expected to make proposals this autumn for community hospital provision, but it made it clear earlier this year that it would be unable to bring forward those proposals, ostensibly because it was unable to produce them locally in time.

Given what colleagues have said, particularly my hon. Friend the Member for Banbury (Tony Baldry), it is difficult to avoid concluding that part of the problem is the direction that the trust is getting from the centre about the national strategy for community hospitals and, as my hon. Friend the Member for Cotswold (Mr. Clifton-Brown) said, the fact that all the PCTs in Gloucestershire are likely to be merged into one, which means that a great deal of management time is being expended on future structures instead of front-line services.

My constituents and I are concerned that despite the trust's best intentions and the fact that it wants to provide community facilities, resources are being taken out of the West Gloucestershire PCT area, which covers my constituency, and sucked towards the acute hospitals in Gloucester and Cheltenham, because the trust has to close its financial deficit, because its most recent financial report, in September, said that its financial position had deteriorated and because its largest service agreement with the acute hospital trust, which, as my hon. Friend the Member for Cotswold said, runs the hospitals in Gloucester and Cheltenham, means spending £382,000 more than planned with that trust. The outcome of all that is that, despite not wanting to, local decision-makers might be forced either to close one or other of the community hospitals, or—

David Taylor: The hon. Gentleman talks about the trust's resources being transferred to general hospitals in Cheltenham and Gloucester, but can he confirm to the House that residents of the Forest of Dean area do not use those hospitals and will not benefit from improved resources there?

Mr. Harper: Of course they will, but my constituents do not want those improvements to be paid for at the expense of our community hospitals. We do not want to see community hospitals damaged by a focus on acute hospital trusts.

10.30 am

Steve Webb (Northavon) (LD): First, I congratulate the hon. Member for Beverley and Holderness (Mr. Stuart) not simply on securing the debate, but on the gracious and fair way in which he presented his case. I thank him for paying tribute to the people of all the political parties in his constituency who have worked together. When local political parties can work together on these campaigns, they are all the more effective. I thank him for his remarks.

Much of what the hon. Gentleman said resonated with hon. Members. We have all had similar experiences. There was the consultation that was not, where we already knew what the outcome would be. He mentioned the manifesto pledge to have a new generation of community hospitals. The rhetoric is one thing, but the reality appears to be very different. In my area the argument for merging two district general hospitals into one super acute tertiary hospital is that it will do more in the community. At the same time, however, community provision is under threat. It is certainly not a joined-up piece of government.

The root cause of our debate is the Prime Minister's announcement that he is not planning to stand again for election. Now he is in a hurry. He wants a legacy. That means reform has to happen quickly. Primary care trusts have to get their books balanced by next April instead of having several years to sort things out because everything has to be rushed through so that we can see health reform implemented and the Prime Minister's legacy in place. Were there not such a hurry, many of these transitions could take longer and people would have time to adjust. Some trusts are in surplus but we do not hear about them. Those that are in deficit, instead of having time to adjust as they would once have had, are having to scramble to cut costs at every opportunity. Community hospitals are in the front line of those cuts.

Anne Milton: Does the hon. Gentleman agree that there is so much focus on structure rather than service delivery? That is the gap between Government and local people, which is why we have heard stories from many hon. Members today about local people raising funds to support their community hospitals. In my constituency, local residents are raising funds not only to build but to own their local hospital, Cranleigh village hospital, because they are concerned about service delivery, not structure.

Steve Webb: I am sure that the hon. Lady is correct. Indeed, we have heard many examples of where it was local subscription that enabled a hospital to be built. In the case of Tetbury hospital in the constituency of the hon. Member for Cotswold (Mr. Clifton-Brown), which I visited recently, the local community is the source of the hospital and runs it, as far as I understand. Very often these community hospitals have benefited hugely from popular local support.

I saw the Secretary of State for Health on Saturday night in Birmingham, listening intently to what people were saying. If they were telling her that they want to keep their community hospitals, I wonder what her reply was. It is one of those consultations where one wonders how much is just for show and how much difference it will make. My hon. Friend the Member for Kingston and Surbiton (Mr. Davey) cited the example of Surbiton hospital, which is temporarily closed. However, as we have heard from the hon. Member for New Forest, East (Dr. Lewis), these things can sometimes become permanent. It is a worrying trend that my hon. Friend highlighted.

The hon. Member for Banbury (Tony Baldry) highlighted the absurd situation where the Government seem not to know where they are going with their policy. They have announced a policy, and if anyone had read the Labour manifesto they might have been attracted by that policy. It clearly was not thought through and they are apparently back peddling on it with remarkable speed. It must be a world record.

The right hon. Member for North-West Hampshire (Sir George Young) raised the alarming issue of the treatment of land sales. That worries me because in my area when the Frenchay hospital land is sold off to pay for improvements elsewhere it would be absurd if we not only lost our hospitals, but we were taxed on the undersale of the proceeds. I should be interested to hear the Minister's response to that point.

Mr. Davey: Will my hon. Friend give way?

Steve Webb: I had better not as I am very tight for time.

The hon. Member for Cotswold, my constituency neighbour, mentioned the important issue of what payment by results means for cottage hospitals. By definition, smaller hospitals are likely to have higher than average costs. If they are receiving payment only at a tariff level—an average costs level—they will make a loss on everything that they do. PCTs may make up the difference in some way and bale them out, but if they are broke that will not happen. Do they have a long-term future under a tariff-based payment-by-results system? The hon. Gentleman raises a good point there.

The hon. Member for South-West Surrey (Mr. Hunt) referred to the problem of how we work out how much an area should get and the inequalities that can result. He raised the important issue of the cost of delivering health care. It is not only about deprivation. If it costs more to deliver health care in a particular area, it is important that that is fairly represented in the formula.

I should like to cite one example. We have already heard about Withernsea, Hornsea, Bicester, Surbiton, Tetbury, Fairford, Moreton-in-Marsh, Cirencester, Haslemere, Farnham and Malmesbury—a long litany of threatened community hospitals. To that I would add Thornbury in my constituency, and following the precedent set by the right hon. Member for North-West Hampshire, I praise the *Thornbury Gazette*, for its support for the "Save the Thornbury hospital" campaign. I do that because the hospital has just two wards, one of which—a mental health ward for elderly people—is being lost. We are left now with one ward on which the number of beds is being cut. It is death by a thousand cuts. The question is: how long will such hospitals survive? At present, the service is provided by the primary care trust. As we have heard, in principle, PCTs may end up not providing services. Is it going to be a private hospital or a voluntary hospital? We just do not know. There is a huge amount of uncertainty, which is damaging local communities and patient care.

I do not think that any of us are defending the status quo. As the right hon. Member for North-West Hampshire said, none of us is saying that the service should not change or evolve. The service needs key-hole surgery, but it is getting amputation with a rusty hack-saw. That is what is going on in the health service at the moment. By all means, let us have evolution and new roles for community hospitals. Let them, as my hon. Friend the Member for Kingston and Surbiton suggested, take on new services and new local means of delivering health care.

Sandra Gidley (Romsey) (LD): My hon. Friend referred earlier to the lack of joined-up thinking. Would he agree with me that there is a huge role for community hospitals to take patients who are currently inappropriately in the acute sector?

Steve Webb: That is very much the case. In Thornbury hospital, the range of services providing, for example, intermediate care means that people can see someone close to home. Relatives and friends can just pop in rather than make a long bus journey to make a formal visit. That is good for patient care. It surely ought to be at the heart of the debate, rather than finance-driven cuts.

It takes breathtaking mismanagement for the Government to allocate record sums to the NHS, and for us then to see cut after cut throughout the land. That takes some doing. The way forward must be to begin with the patient and the community. If changes are needed, let us make them in co-operation and genuine consultation with local people, listening to them first, rather than producing blueprints long before the consultation begins that are then rubber stamped at the end of the process. We should not try to set our community services in aspic. They need to evolve and change, but what is needed is an imaginative approach, looking at all the good things that community and cottage hospitals can deliver: the potential for what somebody once called a patient-led NHS.

10.38 am

Dr. Andrew Murrison (Westbury) (Con): We have had a fantastic debate today; I cannot remember the last time that I saw so many colleagues in Westminster Hall: we can call it a truly packed event. It is a particular pleasure to see the shadow Secretary of State for Health here, my hon. Friend the Member for South Cambridgeshire (Mr. Lansley). That is a mark of the importance that we place on the issue.

We have heard a great deal about the threat to patients and carers, and I can admit straightaway to an interest in that there are four community hospitals in my constituency, each of which is, in one way or another, under threat, two of them directly now. There are three on the periphery of my constituency that are similarly under the spotlight. It is an issue about which I feel strongly. We have heard little about the staff who work in such hospitals, and it is worth while putting on record that they are wonderful people who are experts in their field, and who operate in what we might call the less glamorous fringes of our health care system. They deserve our thanks and admiration.

We have recently conducted a good deal of research on the matter, and I am happy to announce the results of that research. As of this morning there were 89 community hospitals in the country that we believe are under threat of closure or being seriously scaled back. However, it is worse than that. There is a clear correlation between primary care trusts with big deficits and community hospitals that are threatened with closure. That puts a lie to the notion that the exercise is about reconfiguring health care in the interests of local people; it is actually about reconfiguring health service budgets. We must be clear that that is what we are dealing with. That is important because it removes the responsibility from PCTs and puts it clearly where it should be, with the Secretary of State for Health. That is where it should be.

When I saw the Secretary of State a few days ago, she was keen to impress on me that such matters were for local decision making by PCTs; they had nothing to do with her. The fact that we have found a strong correlation between PCT deficits and community hospital closures shows that that is an issue not for local decision making but for Ministers. They must understand that, and must take responsibility for the closures that we have shown are happening throughout the country.

We know what the public think; we are in the age of consultation. It was clear from the national bed survey in 2001 that there was overwhelming support for community hospitals. Indeed, the NHS plan said that we would get 5,000 intermediate care beds. It would be interesting to hear from the Minister where she thinks they are— that was poorly defined in the document. However one defines intermediate care beds, it is difficult to see where they have landed up.

I have read the 2005 Labour party manifesto. The small part that deals with health underscores the NHS plan and promises, as others have said, a new generation of community hospital. From where my colleagues and I stand, we cannot see a new generation of community hospitals. We see what we have closing down day by day. I shall be interested to hear from the Minister about the new generation of community hospitals. Where will they be? What will they look like? Will they have any beds in them, or will they be the GP mega surgeries or polyclinics that the Government are so keen on? Is that what they really mean by community hospitals? I suspect that there might be some confusion about what is meant by a new generation of community hospitals. If the Minister means souped-up primary care practices, she needs to say so, so that the public are clear about what was meant in the Labour party manifesto of just a few months ago.

I share the exasperation of my hon. Friend the Member for Banbury (Tony Baldry), who has been kind enough to give me a copy of Lord Warner's extraordinary letter of 17 October. Lord Warner, the Minister of State, clearly does not have a clue about what he is going to put into community hospitals. My hon. Friend might like to know that the then health Minister, the right hon. Member for Barrow and Furness (Mr. Hutton), wrote to me on 22 March and gave his definition of community hospitals, saying that the important thing is not the building but the services that it provides.

So in March I am told that the services matter, not the bricks and mortar; in May the Government commit to buildings without knowing exactly what will go in them, and by October not only do we find community

[Dr. Andrew Murrison]

hospitals closing at an alarming rate, but the Government, clueless and consulting as ever, still have no idea what they are going to do with the new buildings that they promised just five months earlier.

That lack of direction gets worse. As others have said, in March Sir Nigel Crisp put out his extraordinary document *"Creating a Patient-led NHS"*, in which he ordained that PCTs would divest themselves of the direct provision of services. Yet we have had no news about where community hospitals will lie in the new scheme of things. What does the Minister think? Can we, at long last, have a sense of direction? Will acute trusts take over—if so, please will she say so—or will the private and not-for-profit sectors take on the hospitals? There would be a certain irony if they did, because that is where they came from in the 1940s. Institutions that had been supported and nurtured by local communities for many years, often the gifts of benefactors, were taken on by the NHS, and the communities that handed them over felt that they were putting them into safe stewardship. Now, under this Government, many of those community hospitals are closing their doors.

I add my tribute to those that have been paid to the leagues of friends and others who support such hospitals. Huge voluntary effort goes on in my constituency and throughout the country. The Minister needs to take on board the views of those who support and, frankly, subsidise health care in such a fantastic way.

Dr. Julian Lewis: I thank my hon. Friend for coming to my constituency. In New Forest, East, in New Forest, West and in Romsey, five community hospitals are under threat. What does he think about a consultation process whereby the leagues of friends generate a 41,000-name petition and hand it to the chief executive of the PCT, who, on going back into his building, is reliably overheard to say, "Where is the nearest bin?" That is what happened.

Dr. Murrison: I agree with my hon. Friend and I was happy to add my name to the early-day motion that he tabled on this subject. I would like to tell him about the consultation that was conducted in Warminster four years ago. It was a fantastic comprehensive exercise, involving no cost to the Treasury, but it was ignored by health policy managers. I need not tell my hon. Friend what the survey showed: there was overwhelming support for Warminster hospital.

What hon. Members have described is happening throughout the country. I suspect that I shall not have time to say much about sham consultation exercises, about "Your health, your care, your say", which culminated in Birmingham this weekend, and about the myriad regional events held in the run-up to that. All I will say is that it is a betrayal of people's trust if they are invited to take part in a consultation and have their say, but what they have to say is ignored; if people are selective in which surveys they pay attention to; and if people are selective about those whom they invite to contribute in the first place, as is the case with the current survey, which we understand is to inform the White Paper later this year. We will not hold our breath on that, given that if we put rubbish in, we will get rubbish out.

I would like to nail the lie about cost. With respect, I take issue with the hon. Member for Northavon (Steve Webb), because I think that he is wrong. If we cost the patient journey properly and consider case mix properly, we will find that community hospital costs are substantially less than costs that accrue to treatment in acute units. Those figures are available and are quite stark, and I commend them to the hon. Gentleman. I would also like the Minister's comments on that. At the moment, individual PCT chief executives take decisions on their own bit of budget, usually faced with deficits and adverse district auditor reports. They are obliged to make cuts where they can. That is their duty, what they are employed to do and their legal obligation. They have no choice. We must not blame them; we must pin the blame where it should properly reside, which is with Ministers who have got up this system whereby PCTs find themselves in deficit. They, not PCTs, are driving the closures, and it is important to know that.

The Minister will say that the situation is down to individual PCTs and local decision making. However, one thing that she cannot avoid responsibility for is public health. Just in passing, I point out that 10 days ago we heard about the contingency plan for epidemic flu, which highlighted the gross shortage of beds that we will have in the eventuality of a pandemic. The Minister cannot absolve herself of responsibility for allowing for bed space. It seems bizarre, at a time when we are clearly so short of bed space for the emergency that the chief medical officer says will arise, that we should even contemplate closing down intermediate care beds in the way in which that is happening.

We have had a fantastic debate today, the best that I can remember in this place. If the Minister has any doubt at all about the feelings of people in our constituencies, I invite her to visit any one of them that has been represented here today. If she comes to west Wiltshire, she will be sure to get the message.

10.49 am

The Minister of State, Department of Health (Ms Rosie Winterton): I congratulate the hon. Member for Beverley and Holderness (Mr. Stuart) on securing the debate. It has raised a number of interesting issues and it certainly shows the depth of feeling that there is about community hospitals. The Labour party's manifesto commitment to building a new generation of community hospitals, to which many hon. Members have referred, shows that we understand the important role that they can play.

David Taylor: As my hon. Friend will have heard, there are justified concerns about community hospitals, but does she agree that the comment by the hon. Member for Banbury (Tony Baldry) that the NHS in Oxfordshire is in free-fall is no more than hyperventilating and posturing, given that expenditure and investment are doubling over a decade?

Ms Winterton: My hon. Friend makes an astute point, and I come now to the issue of increased expenditure. What is encouraging about the debate is the fact that many Conservative Members, as well as the Liberal Democrat spokesman, the hon. Member for Northavon (Steve Webb), have agreed that expenditure on the NHS has increased; nobody has said that it has decreased.

There have been comments about the formula, but given the consensus that expenditure on the NHS has increased dramatically, it is important to recognise that the Government expect proper financial management of that expenditure. It was the hon. Member for Beverley and Holderness who said that there had not been proper financial management in the past. Were any other political party represented here to be in government, I cannot imagine it simply saying that there was no need for good financial management. Quite honestly, that would do patients and the public no good at all. I hope, therefore, that we can agree on the need for good, rigorous financial management.

Tony Baldry: I am not sure whether the Minister was concurring with the hon. Member for North-West Leicestershire (David Taylor) that concerns about reducing spending in the Oxfordshire health economy by £35 million in one year were, as he put it, no more than hyperventilating and posturing. I would welcome the Minister coming to Oxfordshire, but the point is that, although we all accept that public finances must be properly managed, it is simply impossible to make slash-and-burn cuts in one year. The Oxford Radcliffe Hospitals NHS trust cannot find savings of £35 million between now and April, but the strategic health authority was incapable of telling us whether Ministers would be willing to allow those savings to be made over a period of years. When one writes to Ministers, however, they say that the issue is the responsibility of the SHA. What is driving us all mad is that we can find no one in the system who will take responsibility for anything.

Ms Winterton: Perhaps I can come to the process of consultation on reconfigurations. If we agree that it is important that trusts deal with the financial deficits, we then come to the issue of how they deal with them. Let me briefly answer some of the questions asked by the hon. Member for Cotswold (Mr. Clifton-Brown), of which he gave me notice. Of 303 PCTs, 170—56 per cent.—are in financial balance, with no planned support. If we take account of those with some financial support, we see that 70 per cent. are in financial balance. Some 25 per cent. have deficits, but the majority of those are quite small, although some trusts have larger deficits. I hope that that is helpful in answering the hon. Gentleman's questions.

Mr. Graham Stuart: Do the Government accept any responsibility for setting up PCTs in the first place and, in the case of Yorkshire Wolds and Coast primary care trust, for the deficit from the beginning, or is everything the PCTs' fault? Do the Government continue to say, "It's nothing to do with us"?

Ms Winterton: If PCTs have inherited deficits, that is, as I said, because there have been problems with financial management. It is absolutely right that the Government should deal with that.

As for the consultation on the proposals, the hon. Gentleman described a process in which the PCTs had been talking to local people; it sounded quite thorough. However, he said that he did not feel that there was any accountability in the process, and that PCTs seemed already to have made up their minds. I have two comments: first, our clear position is that PCTs must rigorously consult their communities. Secondly, it is important that when decisions of the sort in question are being made PCTs should have in mind the general thrust of national policy.

We have made a clear commitment to community hospitals within that general thrust, but the PCTs will, at the moment, be dealing with the financial deficits that they face, and considering how best to provide services within that context. In some instances that will mean difficult decisions. I agree with the important point that arose in the debate, which is that we need greater transparency in the deciding of priorities in different areas. There has been discussion of health inequalities and the differences in population mix between areas. That is an important aspect of the way forward to the development of a modern, reformed NHS.

I remind hon. Members that there are overview and scrutiny committees. I am not sure how many of the reconfigurations that have been mentioned today have been referred to them. In addition, I have been working on patient forums, focusing particularly on approaches to be used when there is a closer relationship between local authorities and health authorities. Many hon. Members have referred to changes in the provision of the relevant services nowadays, and many of them gave good examples of improvements that could be made. However, accountability is an important point and we need to think carefully about how to improve it.

Steve Webb: Will the Minister give way?

Ms Winterton: I will not give way. There are only two minutes left, and I am aware that I have not dealt with all the points that hon. Members have made. I want to set out some principles. The White Paper consultation that hon. Members have alluded to has been thorough. Many hon. Members have asked what the Government's vision is for community hospitals, but it is difficult to say that before the consultation that we have talked about has been carried out. *[Interruption.]* Six months ago in a manifesto, yes.

We have committed about £100 million to developing community hospitals. It is ludicrous to think that we can finalise all the details in such a short time. We have made it clear that we have ideas about some services, and hon. Members have come up with ideas today. Examples are the possibilities for day surgery and diagnostic services. It might, indeed, be possible for GP or dentistry services to be offered in community hospitals. The important point is that we are committed to considering a new generation of community hospitals, backed up by investment, but we want to consult thoroughly on the services that people want locally. It will vary by area.

I acknowledge that that is happening against a background in which PCTs are closely examining the services that they offer, to deal with financial deficits. However, it would be wrong to claim that those deficits should be ignored.

A47 (Road Accidents)

11 am

Mr. Keith Simpson (Mid-Norfolk) (Con): Thank you, Mr. Gale, for giving me the opportunity to talk about road accidents on the A47 in Norfolk. I am pleased to see the hon. Member for Great Yarmouth (Mr. Wright) and my hon. Friends the Members for South Norfolk (Mr. Bacon) and for South-West Norfolk (Mr. Fraser) in the Chamber. The hon. Members for North Norfolk (Norman Lamb) and for Norwich, North (Dr. Gibson) sent their apologies; they could not be here, but they support the thrust of the debate. The Secretary of State for the Home Department, the right hon. Member for Norwich, South (Mr. Clarke), is also aware of the debate.

This is Westminster Hall, so this must be another debate urging Ministers to consider the A47. I have lost count of the number of debates on the A47 that I have secured or participated in since I was elected in 1997. There have also been at least two delegations with other hon. Members to see Ministers, hundreds of letters and dozens of meetings.

Since December 2004, work on dualling the A47 has actually regressed, with the Government deciding to downgrade the A47 from a strategic route to one of regional priority, for decision by a regional transport board. The Minister probably knows that that caused real anger and frustration in Norfolk across the political parties and in a wide range of communities. Almost a year later, we still have no date for the establishment of the regional transport board, and we do not know who its members will be or what its powers will be. Will the Minister enlighten us with those details when he sums up? Even when the regional transport board is established, Norfolk's A47 will have to fight for priority with dozens of probably equally worthy schemes in the eastern region. Will the Minister confirm that the regional funding allocation for the eastern region in the next three years is not sufficient even to meet existing commitments?

The Minister will know that particular schemes to dual certain priority sections of the A47, which were agreed before December 2004, have now slipped into the regional melting pot. We have consistently argued for the dualling of the A47 on the grounds of road safety, east-west communications, and meeting the criteria of alleviating social deprivation, particularly in areas such as Great Yarmouth, and encouraging economic development—ironically, criteria that were all established by the Government.

The A47 is inadequate to meet the existing traffic flows of Norfolk's population, even without the demand made by the Office of the Deputy Prime Minister for Norfolk to provide 78,000 extra homes in the next decade. I shall use this short debate to deal with the specific issue of road accidents on the A47 in Norfolk, particularly on the stretch of the A47 west of Norwich from North Tuddenham to Easton. Many other stretches of the road affect hon. Members who are in the Chamber today, but I shall focus on that particular stretch of the road because of a fatal accident that has provoked widespread anger and dismay among my constituents and a demand for ministerial action. They want no more studies, no more promises, and no more evasions; they want action, not words, on this issue.

On 3 October, a major accident occurred on the A47 where the C539 Mattishall road meets the A47 just east of Honingham. The crash involved a car, a fuel tanker, a low loader, another HGV and a van. David Jackson, a 19-year-old, was seriously injured, and, despite their best efforts, medical teams could not save his life. Quite understandably, his mother, Mrs. Andrea Jackson, is distraught, but she is equally determined to ensure that action is taken to prevent another parent from losing another child under such circumstances. That tragic death has galvanised local communities in villages such as Mattishall and Dereham, as well as in Norwich. A fortnight after that incident, I happened to visit the Neatherd high school in Dereham and was lobbied by the school children, many of whom had known the young man. That accident is but one that has resulted in previous deaths and injuries along the A47. The hon. Member for Great Yarmouth and I share a stretch of the A47 known as the Acle straight, where if one has the misfortune to come off the road and land in a ditch and one cannot be pulled out one drowns. That is totally unacceptable.

Another consequence of the accident on 3 October was that the A47 was shut for nearly 12 hours and diversions occurred through Fakenham in the north and Thetford in the south, miles and miles away. That has frequently happened on other stretches of the A47, including the Acle straight. When it happens in Great Yarmouth, a large sea port is cut off, something that did not happen even in the time of Horatio Nelson. Only yesterday there was another accident on the A47 along a similar stretch with yet more delays.

So what would I like from the Minister today? A commitment that the Highways Agency will use its small programme of works to alleviate the inherent dangers associated with the stretch that I have been talking about. The preferred solution by local residents is that they should consider a roundabout at the Wood lane-Honingham junction of the A47. That is to save lives in my constituency.

Mr. Anthony Wright (Great Yarmouth) (Lab): The main issue for which we have argued for a considerable time is safety. While we are arguing for the dualling of the A47, the most important thing we are after regarding the Acle straight and the safety measures mentioned by the hon. Gentleman is for the work to be carried out quickly to alleviate any further loss of life or severe accidents. That is a quick fix. The long-term issue is the dualling of the road. Does the hon. Gentleman agree?

Mr. Simpson: I would certainly agree. The hon. Gentleman and I are veterans of other debates on the A47. We are all committed to the dualling of the whole of the A47 but we realise that that is probably in the long grass. We are looking now for remedial measures.

Mr. Richard Bacon (South Norfolk) (Con): My hon. Friend makes the point that we recognise that the dualling may take longer. Does he recognise that a roundabout is something that cannot wait any longer? I speak with a personal interest in that my private secretary lives in Mattishall and was a friend of the

family of David Jackson. She tells me that local people hate using that junction and turning right to head east into Norwich and will avoid it at almost any cost.

Mr. Simpson: My hon. Friend makes a strong point, for which I thank him: I know that road only too well and one takes one's life in one's hands there. I am sure the Minister is aware that the real danger is not the consequence of the accidents along the east-west thrust of the A47, but in all the small communities north and south having to try to get across it. East of Norwich we have a similar problem around the village of Lingwood and there is also a major problem for the lorries and cars trying to get to the sugar beet factory at Cantley. That is my first point to the Minister.

Secondly, will the Highways Agency bring forward its priority review of those sections of the A47 in view of the increasing congestion and the unacceptable record along the length of the route, and will that action will be initiated as soon as possible? The road accident figures relating to the section of the A47 to which I referred underline my case. There have been six fatal accidents in which nine people died, 18 serious injuries and 55 slight injury accidents on that length of the A47 in the past six years. Of that total, three accidents in which five people died and three serious injury accidents occurred at the junction known as Wood lane-Honingham. The accident severity ratio for the length of the route over the six-year period is more than 60 per cent. higher than the national average for similar types of road. That is not acceptable and my constituents are no longer prepared to accept it.

The average daily traffic flow is almost 22,000 vehicles per day; nearly 50 per cent.—about 14,000—above the threshold for dualling. By the Government's own criteria, many stretches of the A47 should be dualled. There is a morning peak-hour flow in the area of more than 2,000 vehicles per hour, making the road both difficult and, at some junctions, such as that with the C539, extremely hazardous.

Potential new housing allocations at Dereham from the local development plan could well result in an additional 2,000 dwellings, seeing a further increase in road traffic. Apart from the cost in human life and in injuries from such accidents, let me tell the Minister of a financial equation. I understand that the cost of fatal and serious accidents at the particular stretch of the A47 that we are debating was £3.25 million during the past three years. During the past six years, the cost was £5.1 million. The cost of a roundabout, which has been proposed by the county council and is the favoured option of local residents—I agree that it is one remedial option—is about £750,000. It makes financial as well as humane sense to undertake that work.

I have been supported by members of the A47 alliance, which meets regularly. I represent all the local MPs of all political parties, county councillors, district councillors, representatives of the local communities and local businesses. I am meeting Mrs. Andrea Jackson on Friday afternoon to discuss what further action needs to be taken. She has raised a petition from more than 2,000 people demanding action.

I have put forward what I hope are reasonable suggestions for remedial work to meet the immediate problem, not negating our long-term aim for dualling. I hope that the Minister can give us some positive words that I can take back to Mrs. Jackson and other constituents.

11.12 am

Mr. Christopher Fraser (South-West Norfolk) (Con): I thank my hon. Friend the Member for Mid-Norfolk (Mr. Simpson) for allowing me to make a specific point about an accident on the A47 in my constituency. I also thank the Minister.

I rise in support of all that my hon. Friend has said. The issues of the A47 have gone on for quite a long time, as I know the Minister is aware. I hope that we will see some imminent action on the problems raised. Specifically, I want to draw the Minister's attention to an accident on the A47 in my constituency that closed that part of the road for approximately 15 hours on Friday evening. The accident happened on a single carriageway stretch of the road and involved a car, a van and a bus. The bus's fuel tank ruptured and there was a huge diesel leak on the road, which needed to be resurfaced. That meant that lengthy diversions had to be put in place, which not only affected my constituents but members of the public across the county.

Our roads in Norfolk clearly cannot cope, not only with the accidents on the A47 but with the consequential problems on the minor roads around them. When something goes wrong on the A47, it takes a great deal of time to sort it out. The accident to which I referred was the third in four days involving a bus on the A47. I need not tell the Minister how important it is to make sure that our public transport works well and, in addition, that it also works safely and in an environment in which passengers feel comfortable.

The road is unsafe and unfit for traffic conditions in the 21st century. It must, as my hon. Friend says, be dualled and the Government must find the money to make that possible. Investment in the roads infrastructure in East Anglia is a disgrace. The A47 is a vital link for business in the area, for commuters and for private motorists. It is not acceptable for the Government to tell us that the A47 and the A11, which faces similar problems, should compete for funding from the East of England regional assembly because they are not significant enough to merit central funding. Would that be the answer if those roads were in the Government heartlands in the north of England? How many more people must die, how many more major accidents must happen, and how much more traffic chaos must there be before the Government understand the problems we face in Norfolk?

Finally, I want to add to my hon. Friend's points about the cost of upgrading the A47. There is another figure that we should bear in mind. The accidents are estimated to have cost Norfolk around £60 million, based on Government figures including ambulance, police and hospital costs, losses to employers and so on. Is it reasonable that people in Norfolk should bear such a financial burden as a result of the failure to develop a proper roads infrastructure in the county? I believe it is not. I hope that the Minister will take that into account in his response.

11.15 am

The Minister of State, Department for Transport (Dr. Stephen Ladyman): I begin with an apology. I have done what you did, Mr. Gale, two or three years ago. I have come into Westminster Hall and discovered that my poppy has fallen out. That is a crime made even worse by the fact that it was the poppy that you bought me at the Festival of Remembrance in Margate on Friday night. I promise to replace it.

I congratulate the hon. Member for Mid-Norfolk (Mr. Simpson) on securing the debate. This is a stretch of road that he has long taken an interest in, and I understand his concern about the accidents that are happening on this road. I also share the concerns of other hon. Members present today, including the hon. Member for South-West Norfolk (Mr. Fraser).

Let me start by asking the hon. Member for Mid-Norfolk to pass on my deepest sympathy to the family and friends of those who have been tragically killed on this stretch of road, particularly in the accident that he described. It always saddens me when, despite everything we are trying to do to improve safety on our roads, there are fatalities and accidents. I want to assure the House that the Highways Agency and the Government take road safety very seriously and are committed to improving safety on the road network. Our targets are challenging. We intend to reduce the number of adults killed on our roads by 40 per cent. and the number of children killed or seriously injured by 50 per cent. by 2010 compared with the average for 1994–98.

In 2004, 3,221 people were killed in road crashes and 31,130 were seriously injured. That is 28 per cent. below the baseline and more than two thirds of the way to our 40 per cent. target. In 2004, 166 children were killed in road crashes and 3,739 were seriously injured. This is 43 per cent. below the baseline and over three quarters of the way to the 50 per cent. target. So we are making progress.

The most recent figures for the A47 in Norfolk originate from the local authority rather than the Highways Agency and are for the period from January 2000 up to September 2005. They show a total of 40 fatal, 149 serious and 717 slight accidents, totalling 906 for the period. The cold statistics hide the personal tragedies of every single one of those fatalities. Nevertheless, the severity index rate, which is the number of fatal or serious injury collisions divided by the total collisions for the A47 in Norfolk is 21 per cent. That is the same level as other national rural trunk roads in Great Britain.

Such comparisons are always invidious, but if we compare the accident rates based on the period from 2000 to 2004, the approximate accident rate per 100 vehicle kilometres on the A47 in Norfolk is 16, compared with a national figure for road casualties on similar rural roads in Great Britain of 27. Although the incidents on this road are stark and serious and each one is a tragedy, the road is not grossly more dangerous than other similar roads.

Mr. Bacon: It is often said that if one tortures statistics for long enough one can make them confess to anything. Does the Minister agree that not only do the statistics hide the personal tragedies, but they do not take account of hot spots? The fact that Norfolk, with only 800,000 people, is England's second largest county of course means that statistics may look skewed in one direction. If one were to take a more accurate assessment of the land area occupied by people, rather than the fields of sugar beet, barley and wheat, one would get a very different result. We still need to deal with the question of hot spots.

Dr. Ladyman: I understand the point that the hon. Gentleman is making. That was what I was trying to get over by saying that each of these statistics hides a personal tragedy. I realise that we can twist these statistics all day long. I can probably prove that this is a very safe road and hon. Members can prove that it is a very dangerous road. The fact is we must do something to deal with the tragedies that are happening on this road. I entirely take that point.

I was saddened to hear about the recent accident at Honingham. I do not want to discuss that accident in detail because we have yet to see the reports from the coroner's inquest, but I can tell the hon. Member for Mid-Norfolk that in the event of a fatality on the roads network the Highways Agency always undertakes a study of the accident and if more detailed investigations are recommended as a result, independent safety engineers are asked to carry out a further investigation study which would try to identify possible improvements in safety measure on that stretch of road. The recommendations are targeted at preventing similar types of accidents occurring and the study into the accident that we are discussing is under way. I will ensure that the hon. Gentleman's constituents' idea of a roundabout is considered, and if that is the best way of making certain that such an accident does not happen again—

Mr. Anthony Wright: In June, I raised the matter of an accident on the Acle straight in my constituency involving Glenn Francham, who drowned in the dyke, a matter to which the hon. Member for Mid-Norfolk (Mr. Simpson) referred. The Minister said at the time of the debate that she expected the information to be gathered in the not-too-distant future and hoped to come forward with a decision based on the safety aspects that were required to prevent a similar accident. It is now 10 months down the road from that accident. Can the Minister shed some light on when we can expect a decision on the safety measures to be implemented on that stretch of road?

Dr. Ladyman: I shall deal with the Acle straight in detail in a few moments, but first I shall share something that I have observed since I became Minister with responsibility for roads. I have frequently had to look at studies on stretches of roads that go back decades. They come across my desk and my immediate thought is to say, "Why on earth was this not sorted out years ago?" But when I look at the complexities of such stretches of road it becomes clear why decisions have not been taken quickly.

The Acle straight is a case in point. There are some extremely difficult environmental problems to be overcome if work is to be carried out on that road. I entirely understand the economic and safety arguments; I would be blind not to, but it is a nightmare to find a

way of doing the sort of work for which my hon. Friend, and, no doubt, other hon. Members, have campaigned for many years without damaging the sensitive environment through which the road passes—the heritage landscape, the biodiversity, the flora and fauna—and getting agreement to do it from the Environment Agency and the other people who are trying to protect the countryside. However, I can give my hon. Friend a guarantee that I am absolutely determined to crack that problem one way or another and to come to a decision on how best to move forward on the matter. I will give him details of how that decision will be arrived at in a moment.

Mr. Anthony Wright *rose—*

Dr. Ladyman: If I may, I want first to make a little progress.

Some safety improvements on the A47 at Honingham have already been implemented in the past few years. I understand that early in 2003, safety improvements were implemented at the Taverham road-Blind lane and Mattishall road junctions, which involved changing road markings, including providing ladder hatching with red infill, the installation of high-friction surfacing on approaches to the junctions, improvements to signing and the provision of road studs and hazard marker posts. Those measures were designed to address accidents on the stretch of road that was identified in a 2002 safety study. The hon. Member for Mid-Norfolk said no more studies, but studies lead to work eventually.

Mr. Keith Simpson: I understand what the Minister is saying. It sounds as if I am being churlish, but it is only in the sense that eight years have made me and my constituents very churlish. There has been some remedial work, but although I can understand the Minister's brief and the financial restraints, we are not prepared to accept that any longer. I understand the environmental problems, but tell that to the people who have been involved in accidents on the Acle straight. The life cycle of rare newts does not equate to human life, and we must get real about that. I welcome the Minister's comment that the Highways Agency might consider the option of a roundabout, but from what the hon. Member for Great Yarmouth (Mr. Wright) said, the study is likely to last 10 months or two years. My constituents are not prepared to put up with the situation any more. We want action now. We want money to be allocated; a short, sharp study; and lives to be saved.

Dr. Ladyman: Money has been spent on the road junction where the accident happened. There was another set of road improvements at the junction in 2004, involving changes to the give way sign and road markings and the addition of a new map-style, advanced direction sign to help people navigate their way through the area. Money is being spent. We must take the evidence of experts on the best way of dealing with these issues, and the study will identify those best ways forward. If it is clear that we can save lives by doing remedial work such as building a roundabout, I will look keenly at doing so.

As for the Acle straight, if—it is a big if—at the end of all the deliberations, in the next month or two, I decide that we should go ahead with some improvements to that road, I shall look to the hon. Gentleman, his constituents and my hon. Friend to be at my shoulder when I take the brickbats from the environmental people, who will not make jokes about newts and will not take these issues lightly. They will demand that the decision should be reversed and that the Government should be overthrown.

Mr. Anthony Wright: I assure my hon. Friend that he would have 110 per cent. support from both sides of the House, all the local authorities, and every part of my constituency if he were brave enough to take that on, because all that we have been arguing, in relation to the whole stretch of the A47, is whether to put environmental considerations above those of the lives of road users. I know where I stand on that, and I do not accept the environmental argument that the proposed changes would do untold damage to any stretch of that road, including the Acle straight.

Dr. Ladyman: I am delighted to receive that assurance, and am sure that the *Official Report* will record the Conservative Members applauding my hon. Friend's comments, so that when the time comes, if we decide to go ahead with those changes, we can all stand together to deal with the criticism that we will receive.

In the last minute or so left, I move quickly to the issue of making the decision. The hon. Member for Mid-Norfolk is right to say that we have asked for regional prioritisation of the scheme. His constituents might find that disappointing, but I shall tweak him slightly by reminding him that it was the Conservative Government in 1996 who decided to reduce the roads programme by removing a large number of schemes from it. Many of the schemes in the tranche that they took out involved dualling the A47 in Norfolk. Since then, of course—

Mr. Fraser: Will the Minister give way?

Dr. Ladyman: Let me make some progress. Since then we have carried out some multi-modal studies in the area to identify how we can improve traffic on the A47. The decision to seek regional prioritisation for road schemes is perfectly sensible. Ministers do not know best about what is happening everywhere in the country. As has been said, we have a lot less money than we have ideas for how to spend it on the road system. It would be much better if local people were to help us to prioritise those decisions by telling us which ones are most important to them. All we want to do with regional prioritisation is to seek advice on which Ministers will ultimately take decisions. We expect that regional prioritisation to be with us in January, and we will make decisions early in the new year. Hopefully there will be some announcements that the hon. Gentleman likes then.

As I said earlier, the decision regarding the Acle straight is difficult. I intend to go there and see it for myself before making that decision, because I want to see what part of the environment so desperately needs protecting and what the safety issues are. I promise that that will happen soon.

11.30 am

Sitting suspended until half-past Two o'clock.

Primary Care and Ambulance Trusts

2.30 pm

Charlotte Atkins (Staffordshire, Moorlands) (Lab): I am grateful to have the opportunity to open this debate, particularly under your expert chairmanship, Mr. Chope.

The reconfiguration of primary care trusts and ambulance trusts has concerned Members throughout the country. The timing over the summer, the lack of consultation with MPs, clinicians and PCTs and the rushed timetable have worried us all, but the Secretary of State for Health has already apologised for much of that, so I will not dwell on it. However, the impression left is still that strategic health authorities have come up with a plan based on Sir Nigel Crisp's letter of 28 July commissioning a patient-led NHS, and that that plan—a one-size-fits-all formula—will be forced through despite local views.

In Staffordshire and Shropshire, we had a short pre-consultation period, from 26 August to 16 September. The responses were mostly critical of the recommendations, but the recommendations went forward to the Secretary of State unchanged.

There have been far too many NHS reorganisations. The NHS craves and needs stability, not permanent revolution. I recognise that there is a need for some changes first, to strengthen commissioning in order to hold acute hospitals to account, and secondly, to bring PCTs together if that makes sense—for instance, in Stoke-on-Trent.

The reconfiguration does not seem to recognise what PCTs have already achieved. In my constituency, the PCT has done wonders for that semi-rural, former mining area of Staffordshire. For the first time, services are designed for my constituents, not for the people who live in Stoke-on-Trent.

I shall give a few examples. The local out-of-hours GP clinics now run every weekend, which avoids about 250 patients a month travelling 10 to 20 miles to Stoke-on-Trent. The PCT employs community matrons to work proactively with GPs, which avoids 6,000 emergency hospital admissions every year, and saves about £6 million. There is also a joint health improvement plan, involving the voluntary sector, housing associations, local government, GPs and local employers in promoting local public health. That is just what PCTs are supposed to be doing.

The strategic health authority proposal is to stick Staffordshire, Moorlands into a giant, county-wide PCT, to be coterminous with social services. However, that ignores the fact that north Staffordshire is already a natural health economy, with key north Staffordshire partnerships including the northern area social services department and the north Staffordshire police division. A county-wide PCT would weaken the commissioning of NHS services—not strengthen them, as the Government want—because Stoke-on-Trent, Newcastle-under-Lyme and the Moorlands already speak with one voice in regard to negotiations with the acute hospital. They already share functions and staff. A Staffordshire PCT would be far more remote than the old North Staffordshire health authority that we got rid of.

The only evidence so far that anyone is listening is that the Secretary of State has rowed back from the ban on PCTs employing community staff. However, all the uncertainty is still causing anxiety and a slump in staff morale. We need to know what the impact will be on PCTs that run community hospitals such as Leek. Will PCTs be able to continue to provide those services directly?

David Taylor (North-West Leicestershire) (Lab/Co-op): Does my hon. Friend agree that this issue goes further than the uncertainty that PCTs are subject to because of the Government's drive for yet one more reorganisation? Is it not also the case that in some PCTs some managers welcome yet another opportunity to lose their deficits and to progress in career terms? It is not always the case that senior staff are being forced reluctantly down the aggregation road? In some cases that is happening with their consent and approval.

Charlotte Atkins: In some circumstances, yes. I am pleased to say that within my own PCT I am working closely with both the chairman and the chief executive. They both recognise that it makes no sense to move the community hospitals to alternative providers when no such providers are available at the moment. It makes no sense to look for contractors when the goal is to provide better patient pathways, not greater fragmentation of services.

The Government tell us that public services should modernise and learn from best practice. But no other ambulance service has learned the lessons from Staffordshire. It has been the best service for 10 years. The Minister knows all about it. Not only has it been the best, it has been the cheapest emergency ambulance service. Let us consider some of the facts: 86 per cent. of all emergency calls are met within eight minutes compared with a national average of 62 per cent. The NHS target is 75 per cent. but many ambulance services are not meeting it. Yet still the lessons from Staffordshire are not being learned.

More lives are saved by ambulance services in Staffordshire than elsewhere. They achieve 200 successful resuscitations from cardiac arrests every year. Staffordshire is the cheapest service. Why? Because it is the most efficient. It can treat 40 per cent. of emergency and urgent responses at home saving £100 per hospital visit. That amounts to £9 million per year, which is worth saving and also avoids unnecessary and stressful ambulance transports to hospital. How has that been achieved? Not by fiddling the figures as some would have it and not by tinkering at the margins. It has been achieved by using an entirely different operational system. It is called system status management.

When it was introduced it caused tremendous anxiety and hostility. I know, I was working for the trade union at the time. It is a radical and innovative system which demands total and absolute commitment from staff. Emergency demand was analysed in great detail. As a result, an operating plan has been created that places available ambulances where life-threatening demand is expected. It puts more crews on duty when demand is highest. The rapid emergency call-answering system means that ambulances are dispatched immediately. There is no wasted time deciding what priority the call should have.

That is not all. Staffordshire is a highly rural constituency. Many of my constituents live in small villages in isolated communities. Staffordshire ambulance

has therefore developed its own community first responders. In Staffordshire, Moorlands I have 170 of these people. They are fully trained to ambulance technician standard. These trained volunteers arrive within four minutes of a 999 call, backed up by community paramedics with additional treatment and advanced skills. Back at base—ambulance control—there is always a doctor to diagnose the patient. The crew is backed up via a telemedicine system, ensuring that life-saving treatment, such as the use of clot-busting drugs, can be started in the ambulance before the patient even gets to the hospital. That is about being patient focused.

The emergency response costs of a future west midlands merged ambulance service based on Staffordshire's operation would be £64 million. Based on the west midlands operation, it would be £83 million and would deliver a poorer service. Time and again I have heard Ministers say that the objective is to bring the rest of the west midlands up to Staffordshire's standards. Let us not kid ourselves. Staffordshire's performance has been achieved over 10 years of development. It has been achieved only through the determination and vision of one man, Roger Thayne, the chief executive of Staffordshire ambulance.

The NHS is hugely resistant to change. Ambulance services have for years known why Staffordshire is better, but they have been unwilling to follow in Staffordshire's footsteps. It will not happen with this merger; in fact, the reality of reorganisation is that the ambulance system in the west midlands will be disturbed for some time. No one has yet considered the size of the operational unit. Costs increase massively with an operational unit of more than 2 million people.

The original proposal, by Peter Bradley, was for 28 ambulance services. That would have created a Staffordshire and Shropshire ambulance service for about 1.5 million people, which would make absolute sense, as the two counties are similar and it would be within efficient operational dimensions. However, one service covering the whole of the west midlands is unworkable, especially if there is to be only one call centre. That would be madness.

One of my constituents, from Shirburn road, Leek, sums it up:

> "My wife suffered a heart attack three years ago in the early hours of the morning. Within three minutes of making a 999 call the paramedic arrived, followed three minutes later by the ambulance. We feel her excellent recovery was largely due to the quick response and expertise of the service we are very lucky to have in place. We feel strongly that the merger with other areas will only result in a much less efficient service where lives would be put at risk. We cannot stress too strongly how much we are against such a merger."

I have had loads of other letters like that.

Tim Loughton (East Worthing and Shoreham) (Con): I am following everything that hon. Lady has said and I agree with everything so far. However, does she agree that the same circumstances that apply to the ambulance service, and the losses in local knowledge that will result from that, apply to the fire service as well? Presumably, therefore, she will object to the regionalisation of the fire services into a smaller number of regions, which the Government are bulldozing through as well?

Charlotte Atkins: No, I do not accept that, because the success of Staffordshire ambulance is not all about local knowledge, but the operating system as well. It can track its ambulances wherever they are, which is an entirely different situation from that in the fire service.

In conclusion, I ask the Minister a number of questions. Can he assure me that the consultation on the PCT configuration and the ambulance mergers is not a foregone conclusion, as we are led to believe by the SHA, and that there is not a one-size-fits-all plan to which all PCTs must comply, which will not take on board local circumstances? Can he assure me too that PCTs will be able not only to employ community health staff but to run community hospitals, as they do so well in Leek at present? Will it be their choice, not that of the SHA? On ambulances, will he assure me that Lord Warner, the Minister of State, will learn the lessons from Staffordshire ambulance, and that Staffordshire ambulance will maintain full operational independence with its own call centre, so that it can continue to perform as the best and cheapest ambulance service in the country?

2.43 pm

Mr. Paul Truswell (Pudsey) (Lab): I congratulate my hon. Friend the Member for Staffordshire, Moorlands (Charlotte Atkins) on securing this important debate and on her eloquent speech. I know from many discussions since the summer recess that the situation in Leeds is replicated throughout the country. At the end of July, a tablet of stone was dropped down from the Department of Health. On it were etched two commandments: first, there should be fewer PCTs; and secondly, PCTs should divest themselves of service provision. MPs were invited in by West Yorkshire strategic health authority and were told—not consulted—about what was expected of the SHAs and the PCTs. When we spoke to PCTs, they clearly felt that they had been guilty of failure without any investigation, evidence or trial.

MPs in Leeds have generally found the PCT configuration as it stands to be very effective. The PCTs have adopted a very effective approach—they assess need and commission local services accordingly. They have also been robust in their relationship with Leeds acute trust, and have, I stress, developed services to meet local needs. Indeed, community services in Leeds were successfully transferred to PCTs from the then community mental health trust in order to achieve just such an improvement.

West Leeds, one of the PCTs in my area, is developing a rapid response team, the aim of which is to avoid unnecessary admissions of older people to hospital. That is a big problem in Leeds. Statistics show that we hospitalise too many people and keep them there for too long. In addition, a respiratory team is being developed so that people can be treated in the community rather than in hospital, and we have a team of advanced specialist practitioners who work with patients who have already had multiple admissions to hospital, and who regularly require the assistance of their GP.

If we have a problem with the NHS in Leeds, it is with the acute trust, and with the measures that it has been forced to take despite massive extra investment to deal with its deficit. The shortcomings of the trust have been largely responsible for the loss of some of the PCTs' star ratings.

[Mr. Paul Truswell]

I am aware that many hon. Members want to participate in this debate, as they do in any discussion on the issue, so I shall conclude, like my hon. Friend the Member for Staffordshire, Moorlands, by asking the Minister a few questions. First, and most importantly, what was broken in Leeds? What needed to be fixed? We would be grateful if he could tell us.

Secondly, there must be proper recognition that the process that was so eloquently described by my hon. Friend was fatally flawed. It is to the credit of Ministers that there has already been some acknowledgement of that, but they have not gone far enough. Thirdly, it must be made crystal clear—I make no apology for reiterating the comments of my hon. Friend—that PCTs will continue to be service providers where they so wish. Statements so far have moved in the right direction, but not far enough to assuage the concerns of my constituents, the PCTs in my area and organisations such as the Royal College of Nursing which, I understand, might even seek judicial review.

My final point is that reconfiguration proposals that have already been submitted should be viewed in the context of a flawed process. They are not carefully considered plans for the improvement of commissioning and services. They are an acquiescent response to the commandments set down in Sir Nigel Crisp's letter of 28 July. As such, they must be revisited.

2.48 pm

Mr. Paul Burstow (Sutton and Cheam) (LD): I, too, will try to limit my contribution, as there is a lot of interest in the subject. Like everybody, I am interested in the way in which my local health service is developing and in the threat to continuity of care and to working relationships between the PCT, local authorities and other agencies. Sutton and Merton primary care trust has good working relationships with my local authority, the London borough of Sutton. It is making progress on a host of the issues that the Government would be interested in, including integration of services, and it is a key player in the development of the local community plan and strategy. However, because of the Government's requirement for it to look at reconfiguration, all of that must necessarily be put to one side or given a lower priority than it would otherwise get. At all levels of the PCT, people are thinking about their own future and that of the organisation; that is the nature of reorganisation.

One of my concerns is that PCTs came fully into existence across the country only in April 2002. We have had some three years in which to assess whether they are fit for purpose and can do the job of providing and commissioning services, as well as holding GPs and other parts of the health economy to account. How can the Government have formed the clear view, as we heard, that they are failing organisations that need to be cast into uncertainty and made to reorganise?

What criteria are the Government using to evaluate the effectiveness of PCTs—they have been around for only three years—and how long will the new structures be allowed to stand before they, too, are subject to further review? We seem to go through cycles—big is beautiful, then small is beautiful, then big is beautiful again. Many of the proposals, which include London, would make SHAs coterminous with regional offices. Only a few years ago, Ministers stood at the Dispatch Box and said that the NHS no longer needed a regional tier. We are now back with a regional tier. When will these constant changes stop? As important, when will they stop giving the appearance that they are change for change's sake?

I have some questions on divesting the services. Sir Nigel Crisp's letter of 28 July to primary care trusts and strategic health authorities seemed incredibly clear:

"the direction of travel is clear: PCTs will become patient-led and commissioning-led organisations with their role in provision reduced to a minimum. We would expect all changes to be completed by the end of 2008."

The RCN is seeking a judicial review on that subject. However, Sir Nigel's statement seemed to be slightly qualified in a letter of 26 August from John Bacon on "Commissioning a patient-led NHS". It said that we do not have to reorganise the way in which services are provided by October 2006, and that it does not have to happen until 2008.

That has left PCTs uncertain about whether, in the longer term, the Government intend that PCTs should focus on commissioning and provide a minimum of services or, as we heard in Health questions last week, that services may be retained. No one can plan sensibly or rationally in such a situation. The Government must be clear about what is to happen. I certainly need clarity in my patch, because it is in the midst of a major reconfiguration of services under the health care close to home initiative. That involves the establishment of local care hospitals—they will provide many services hitherto provided by the acute trust—and a new critical care hospital.

The problem with such projects is that they can go on for decades—and that one certainly will. Who will form the decision-making body for it? Will that body still be around to account for any errors in judgment? Will the decision makers still be around? There may be no continuity, but continuity is essential in order to ensure that those projects are completed on time and on budget, and that they deliver the sort of health care close to home that my constituents want.

I end with a question about the proposals for my patch. There may be some sense in having one SHA for London, but I am concerned that everyone might move up a size and that PCTs would step into the shoes of the old SHAs. The PCTS may thus become remote organisations, and in a few years' time people may say that they are too far away from the public to understand local health needs and that we need new, smaller PCTs. I hope for an assurance that, if the PCT has well established local relationships, a strong case can be made for it being genuinely coterminous with the local authority, which would lead to the integration of local services. If not, we will be going backwards.

I want clarity on the direction of travel. Have the Government put the brakes on? Are they going backwards, or are they going round in circles? We also need clarity on whether coterminosity can deliver joined-up services on the ground.

2.56 pm

Paul Farrelly (Newcastle-under-Lyme) (Lab): I congratulate my hon. Friend the Member for Staffordshire, Moorlands (Charlotte Atkins) on securing the debate. Hers is a neighbouring constituency. I welcome the Minister to Westminster Hall. I assure him that I am the first to recognise the huge difference that the Labour Government have made to investment in our NHS.

I want to focus principally on the future role of primary care trusts, particularly what is happening on the ground following the Department of Health document "Commissioning a patient-led NHS". That does not mean that the ambulance service is not important to me. I simply do not want to repeat what was said by my hon. Friend. She spoke powerfully and persuasively on the matter as it affects our county, and I agree with her 100 per cent. about the Staffordshire ambulance service. Nor do I wish to dwell on the way in which the document was issued, save to say that the ineptitude over the summer was truly mind-boggling. My right hon. Friend the Secretary of State has since apologised for the way in which that was done.

The Secretary of State said:

"district nurses, health visitors and other staff who deliver services in the community will continue to be employed by the PCT unless and until it decides otherwise."—[*Official Report*, 25 October 2005; Vol. 438, c. 152.]

However, I am conscious that in a reply to me dated 24 October—just the day before, and long after the storm had broken in Parliament—Lord Warner continued to repeat pretty much verbatim the mantras of the NHS document.

We all know that a White Paper will be produced on those issues in December. Above all, we know that NHS managers, certainly those in Staffordshire, are preparing the way for many of the proposed changes, which are still to be submitted for formal consultation. I suspect that many colleagues have similar stories to tell.

One of the great values of debates such as this is to remind the Department that assurances given in the House need to be followed through in the White Paper and above all on the ground. My local PCT in Newcastle-under-Lyme was set up only three years ago after extensive public consultation and a major investment of NHS resources and staff commitment to the reorganisation. Since then, I have found my PCT to be approachable and very responsive to local needs—a refreshing change from the previous north Staffordshire health authority, the sub-regional health authority that served Stoke-on-Trent, Newcastle-under-Lyme and Staffordshire, Moorlands, which was bureaucratic and remote.

The new SHA proposal, which is before a vetting panel in the Department, is for a single Staffordshire-wide PCT that would be even more remote than the old sub-regional authority. Indeed, it would dwarf any of the other merged PCTs that are being proposed for the region. Moreover, the proposal was in no way justified by the pre-consultation conducted by the SHA in the brief time allowed it in the summer. Not a single Staffordshire MP supported it. Only two PCTs in the whole of Staffordshire supported it. Indeed, only nine of the 49 responses received by the SHA from the whole of Staffordshire and Shropshire supported so-called coterminosity with county social services.

Regrettably, I must mention Staffordshire county council in particular. I understand that, on 9 August, the county did support a single PCT. I say that I understand, because for well over a month I have asked the county to confirm the processes by which the response was submitted in the council's name. Sadly, I have not yet received a satisfactory response, but it is clear that this was an officer's submission that did not go through the proper processes for such a major decision. In other words, it was not considered by the cabinet scrutiny committee and the full council.

David Taylor: Does my hon. Friend agree that the desire for coterminosity between the greater PCTs and shire counties is the final step before social services functions are removed from county councils, which, along with the elimination of their LEA role last week, would cast them aside as a husk on the path on which lie so many rejected values and principles that we have held dear over the decades?

Paul Farrelly: Such a reorganisation in this permanent revolution might well be in the offing. I believe that we would all support better joint working, but I would turn the question around and say that I wish that county social services were as responsive to me and my local people as my local PCT is.

Since the beginning of August, the county council has rowed back, for the precise reason that its members do not support its proposal any more than the local MPs do. I therefore ask the Minister to bring to the attention of the Department's panel, which is chaired by Michael O'Higgins and is vetting the questions and proposals due to go out to formal consultation in December, the fact that the proposal advanced by the Shropshire and Staffordshire SHA does not reflect the opinions of the vast majority of local partners.

I also ask the Minister to take note of another key issue.

Mr. Brian Jenkins (Tamworth) (Lab): I know that my hon. Friend has talked about the number of members in the PCTs, but I am not sure that what he said reflected the true extent of the situation. The PCTs outside Staffordshire are to have an average of 275,000 members, but the proposal is for 782,000 members in Staffordshire. That is a marked difference, which I want to emphasise. Does he agree?

Paul Farrelly: I certainly do. I have not gone through the figures because I do not want to take too much time, but it is right to say that a PCT of that size would dwarf any other. Again, that reflects the fact that that PCT does not adequately consider the realities and different health needs of different parts of Staffordshire.

Will the Minister take note of another key issue, which is breeding further cynicism locally? The belief is that the exercise will simply be a consultation with a pre-determined outcome. I say that because of the behaviour of senior NHS executives on the ground, not least the recently appointed chief executive designate of three west midlands SHAs, Mr. David Nicholson. We will be consulted on whether SHAs are, on a regional basis, the right way to go, but to my recollection we were not consulted on the appointment of a chief executive

[Paul Farrelly]

designate in the interim. I had the courtesy to inform Mr. Nicholson that I would refer to him by name in this debate. However, he has not yet had the courtesy to reply to my letter of 14 September on these issues. It is widely known that during the summer Mr. Nicholson—I hate to personalise this matter, but I feel that his role is so substantial that I must name him—was informing NHS executives at the PCTs that the change to single coterminous organisations was inevitable; it was going to happen elsewhere, so the question to ask was what was so different about Staffordshire.

Charlotte Atkins: I am sure that my hon. Friend will be delighted to know that the same Mr. Nicholson will appear before the Select Committee on Health shortly.

Paul Farrelly: I am delighted to know that and I look forward to Mr. Nicholson appearing before other Committees in the House with other NHS officials.

My response to Mr. Nicholson centred on why, given the fundamental differences between north, south and east Staffordshire, that was not the most intelligent question for him to ask. His guidance to career officials on the ground explains why many of them have reluctantly gone along with the way in which the wind was blowing. As we have seen, that wind was blowing right from the desk of the NHS chief executive Sir Nigel Crisp. I am referring to the way in which the document was issued during the recess.

That is the second issue on which I would like the Minister to reflect and respond following the debate: the signals that such behaviour sends across the country. The message is that the opinions of elected representatives and properly appointed representative boards can be ignored by officials on a whim. That is a dangerous development. It is not unique to the Department of Health, but it continues to be reinforced by that Department's behaviour in Staffordshire now.

I therefore ask the Minister to look into and respond to why, before consultation has even started, Mr. David Lingwood, the ex-chief executive of North Stoke PCT, has been moved to a post at the SHA to prepare the ground for a merger of all the PCTs in Staffordshire. In his place, Mr. Mike Ridley from South Worcestershire PCT has been appointed interim chief executive of the proposed single PCT covering the whole of Stoke-on-Trent.

People in Stoke-on-Trent do not oppose that logical development, but they question the way in which the appointments were made and, in particular, why a single name was put by the SHA to the boards of North Stoke and South Stoke PCTs, in effect for them to rubber-stamp. There is, of course, immense disquiet in the NHS locally—warm formal press statements from the boards notwithstanding—about the way in which such things are being done. Will the Minister reflect and respond on how that behaviour accords with the procedures for senior NHS appointments and the role of the NHS Appointments Commission?

Mr. Ridley's appointment is understood to be interim because he intends to retire following the proposed merger in Stoke. Therefore, just as we are about to commence work on a brand new £250 million hospital, yet another chief executive will have to be appointed. That instability in senior appointments goes hand in hand with the uncertainty caused by the NHS paper's dogmatic insistence on a division between PCTs as commissioners and as providers of health care.

I shall not add much more on the subject, given what has already been said and the statements by the Secretary of State. I shall finish by pointing out that my local PCT runs a very successful community hospital at Bradwell in Newcastle-under-Lyme. It will be responsible for brand new health centres locally that have been financed by this Government's investment. It employs scores of district nurses. It is already tackling market failure by employing salaried GPs to fill gaps caused by retirement, when younger doctors have neither the wherewithal nor the inclination to buy into existing practices. Indeed, at one new health centre in Cross Heath, the PCT will also cut through the difficulties with NHS dentistry by employing an NHS dentist directly for the first time. Surely that is the way to go to fill such gaps.

The approach can be responsive to local need, and therefore efficient, because it is so local. It is not remote, as a single Staffordshire PCT might well be. I am sure that none of the hon. Members in the Chamber today is deaf to the argument that smaller PCTs might duplicate bureaucracy, or might not commission health services as effectively or cheaply as larger organisations. However, we have not yet seen any evidence from the Department that the policy is soundly enough based to justify yet another distracting and demoralising reorganisation of the NHS.

That is the final issue on which I urge the Minister to reflect and respond. If the evidence is not presented, people will perceive another change for change's sake—and, moreover, one that is based on dogma. They will see a top-down, one-size-fits-all business model that is not rooted in the reality of providing proper health care.

3.6 pm

Martin Horwood (Cheltenham) (LD): I congratulate the hon. Member for Staffordshire, Moorlands (Charlotte Atkins) on securing the debate and declare a personal family interest in that my wife is director of public health in the Cheltenham and Tewkesbury primary care trust, and therefore faces redundancy under the proposals. I have not consulted her about the content of my speech, but I await with some trepidation her judgment on it when I get home.

The time scale for the proposed reconfiguration is very short. On occasion that can happen, but it is serious in the current case because so much else is going on. Ambulance trusts, the mental health partnership trust in Gloucestershire and the strategic health authority are being reorganised simultaneously. The reorganisation of the direct provision of services by the primary care trust has been discussed, and I add my support to the remarks of the hon. Member for Newcastle-under-Lyme (Paul Farrelly) about the need to retain the right for primary care trusts to provide the services in question directly, when they want to. We are not convinced that the statement was as unambiguous as he thought, but if he is right, I will be reassured.

The seriousness of the budget complexities is beginning to dawn on us. The Cheltenham and Tewkesbury primary care trust, with its three stars, has

balanced its books, and has presumably made sacrifices on the way to achieve that. The other two primary care trusts in Gloucestershire face substantial deficits and have financial recovery plans. The strategic health authority has implied that those financial recovery plans will continue to apply, after the primary care trusts merge, in the geographical areas of the old PCTs. Is that true or will Cheltenham have to make the sacrifices twice and pick up the bill a second time?

Those are all major issues, which attract the attention of the senior management teams and boards of primary care trusts at a time when they are distracted by the need to attend to their own reconfiguration and reorganisation. In addition, there is a threat of pandemic flu, and primary care trusts will be in the front line for the implementation of action plans. Reorganisation in any organisation causes disruption and likely cost, and I endorse the comments of the hon. Member for North-West Leicestershire (David Taylor) about that. It is extraordinary that such disruption, cost and distress to staff should be undergone only three years after the organisations in question were set up.

I have a copy of the previous consultation document, which was published in 2001 and praised the existing set-up as more flexible and responsive, and on working more closely with partners, communities and the public. It even used the new Labour buzzword "modernisation". It viewed the set-up as a more modern configuration of primary care trusts.

Mrs. Maria Miller (Basingstoke) (Con): The hon. Gentleman mentioned disruption. By focusing on restructuring, the Government are failing to grasp several other problems facing PCTs, particularly in the south-east of England. My constituency is covered by the North Hampshire primary care trust. Under the local health care funding formula we receive only 80 per cent. of the national share. That puts several of our health care activities in peril. Further reorganisation will only add to the confusion and take the focus away from resolving local issues.

Martin Horwood: The hon. Lady is right and underlines the serious problems caused by trying to do these things in such a short time. When bodies have to discuss their reconfiguration, other things are squeezed off the agenda, so it is a serious matter.

As the original consultation document said, the value of primary care trusts is that they have proved local and accountable, and all credit must go to the Government for setting them up. In my constituency, Battledown children's ward was threatened with being moved to Gloucester as an in-patient facility and would not have continued to exist as a 24-hour ward. In the end, the primary care trust intervened and was responsive enough locally to prevent that from happening. We are going to trial a nurse-led ward, and the 350 children a year who would have been transferred to Gloucester for in-patient treatment will now stay near their parents in Cheltenham. The primary care trust made a valuable contribution to the consultation process. However, would that have happened had the trust been based in Swindon? I am not sure that it would.

The primary care trust has built valuable partnerships, including with the Sure Start programme, for which the Government should also take due credit. There are also neighbourhood projects in less well-off areas of Cheltenham, such as Hester's Way and Whaddon. Those local partnerships are extremely valuable and are rooted in the fact that the primary care trust is based in the town and has good local connections of a kind that might not be preserved in a larger organisation.

The crisis in NHS dentistry has been mentioned. Again, our primary care trust has been responsive and attentive. It has tried to take steps to deal with the fall in registration in NHS dentistry, which is now below 40 per cent. in Cheltenham and Tewkesbury, although the greatest steps must be made in the Department of Health.

The primary care trust has also enjoyed good communication with MPs. I have very good relations with my director of public health—we are married, after all—and with the chief executive and others on the management team. There is, however, a serious point: if I had to liaise with a primary care trust that covered Wiltshire and Gloucestershire, there would not be the same chance of face-to-face communications with the chief executive and other members of the primary care trust board.

Why are we going back, in effect, to the old health authorities in terms of the geographical configuration? There seems to be a pattern, to which the hon. Member for East Worthing and Shoreham (Tim Loughton) referred. Primary care trusts are not the only things that are becoming less local: our ambulance trust, our strategic health authority, our children's services, our fire control centre and Gloucestershire constabulary are all becoming less local. The suspicion is that that is directed not by an analysis of each case, but by an overall need to reduce costs, to balance the Government's books post-election and to make savings. The Minister has to convince us that that is not the real reason and that we should look at such cases on their merits.

In the case of Gloucestershire primary care trusts, we were given six options, three of which were, in effect, for Gloucestershire. They were: Gloucestershire-only; the status quo, although it became clear that that was not a practical option in reality and that the strategic health authority would not accept it; and Gloucestershire plus Swindon, which was the worst possible combination. I see some advantages to a larger primary care trust. For instance, there would be some merit in having a greater bargaining position when commissioning services from the local acute trust. There is really only one powerful acute trust in Gloucestershire, and the three primary care trusts could have had a stronger position vis-à-vis that trust.

I disagree with some hon. Members because I found the strategic health authority consultation quite reasonable, given the parameters that the Department of Health had set. I also felt that the authority went to lengths to listen, and it is pleasing that the proposal that it sent to the Department is for a primary care trust that is as large as Gloucestershire, but no larger. Of the options that are available, I would certainly support that one. If, by any chance, the proposal was for a larger Swindon-based primary care trust, I would oppose it strongly.

Mr. Jenkins: I am interested in the hon. Gentleman's comment that his authority is good at consultation. I understand that it will save £26 million. Was he given the details of the management and administration costs for each PCT so that he could estimate which were the best and make a contribution? If not, what exactly was the contribution to the efficiency savings?

Martin Horwood: No, I was not given those details. I was merely saying that I thought that the strategic health authority went to some lengths to explain the different options and the implications behind them. I felt that I was consulted by the SHA, but, as hon. Members have pointed out, that was within strict parameters effectively dictated by the Department of Health.

I concede that the proposals might have possible benefits in strengthening the primary care trusts. However, I hope that they are worth the disruption, distress and cost of reorganisation so soon after the last one. Most importantly, if such reorganisations happen and we create a Gloucestershire primary care trust, those local connections that have been so valuable in maintaining local partnerships and connecting the primary care trusts to some of the least-well-off communities in Cheltenham should be preserved and some presence of the trust should be retained within the town. Otherwise, the record of the new trust will not be nearly as impressive as those of its predecessors.

Several hon. Members *rose—*

Mr. Christopher Chope (in the Chair): Order. We have to start the winding-up speeches at half-past Three and five hon. Members are seeking to catch my eye. It is a matter for them how they carve up the time.

3.16 pm

Mr. Gordon Prentice (Pendle) (Lab): I will be brief, because I want to hear what my colleagues have to say. I want to pick up on what the hon. Member for Sutton and Cheam (Mr. Burstow) said about clarity. We need clarity. I am fed up with wandering about in a hall of mirrors.

We listen to one Labour Minister and get the impression that something will happen and then that is immediately contradicted by the next. We were told, quoting the Secretary of State at Health questions, that it would be up to PCTs whether or not they divested themselves of their provider functions. Yesterday, the Chancellor of the Duchy of Lancaster, no less, told the Public Administration Committee that it is still Government policy to turn PCTs into commissioning bodies only, and the only thing that had changed was that the end date of December 2008, which is in the Crisp letter, had been lifted.

The pressure from the Government is to force and persuade PCTs to get rid of their provider functions: the occupational therapists, the physiotherapists, the health visitors, the midwives and the chiropodists. Those are serious issues. They were not in the manifesto. Every time I listen to a Minister, they quote the little red book; this is a Maoist Government.

The Chancellor of the Duchy of Lancaster made a speech in Portcullis House on 24 August and talked in terms of "continuous reinvention and renewal." That is what he wants to see. The point is that, in this little red book, there is nothing about transferring front-line medical and clinical staff from primary care trusts into the private sector, the not-for-profit sector and the voluntary sector. There is not a single word, and if there had been, we would not have got re-elected. Do not let any Minister—whether it be the Secretary of State, the Chancellor of the Duchy of Lancaster or the Minister here—refer us to the little red book and say that we are signed up to it. We are not signed up to it. It is unacceptable.

The proposals open the gate to a wholesale privatisation of our health service. I do not have time to go into that, but the Minister will be aware of the critique published by the Adam Smith Institute decoding the manifesto—we rely on it to do that—and drawing attention to the huge opportunities for the private sector. I have said before that the private sector is like a big 900 lb hairy gorilla. Once it has a foot in the door, it will be in there. *[Interruption.]* I say that for effect, but there is a wee bit of truth in it.

The proposals have not been thought through; they are back-of-the-envelope stuff. The PCTs have been told that the reconfiguration has to deliver 15 per cent. in cost savings, but there is no 15 per cent. in the ambulance trusts. In Lancashire, we are told that we should have one PCT across the whole county, but Lancashire is one of the biggest counties in the country, in which more than 1 million people live. That would involve replacing eight PCTs with two little PCTs: Blackburn—I wonder why that one survives—and Blackpool. There is no coherence there at all. I say to the Minister and the Secretary of State that I want clear answers to the clear questions that have been posed. The proposals are unacceptable in their current form.

3.20 pm

Mr. David Drew (Stroud) (Lab/Co-op): Follow that, as they say. I shall do so briefly. I am grateful to my hon. Friend the Member for Staffordshire, Moorlands (Charlotte Atkins) for securing the debate.

This is the second debate today on the same general issue—some of us were here for the debate on community hospitals this morning. It is a seamless debate. We cannot separate the future of community hospitals from some of the things going on in primary care trusts and ambulance trusts. The message to the Government this morning was loud and clear: do not tamper with, and certainly do not destroy, community hospitals for the sake of a grand vision in which facilities are outsourced and someone will take up the work.

I am in favour of a degree of experimentation. The Minister may know that I put together, with others, the idea of a health mutual on the Standish hospital site—I mention that for my hon. Friend the Member for South Swindon (Anne Snelgrove)—and I hope the Government will seriously consider that. However, such ideas can work only in partnership with the NHS.

We are talking about disembowelling the PCTs, but we made a dramatic error in Gloucestershire from the outset in that the PCTs were too small. On virtually every issue, that resulted in there being a lead PCT of the three. It therefore makes sense to unify them. I would have gone with one for the west and for the east from the outset, but we now have a unified county. I will go with

that provided that it is clear that commissioning and delivery are not separate entities. I hope that the Secretary of State, if she is rethinking the strategy, will carry on in the same vein.

I am worried about what will happen to the facilities. They might go to the acute sector, but people already face dramatic problems trying to manage the difficulties of acute hospitals and those people will be overpowered. I speak with direct experience. In my idiosyncratic way, I am a governor of a foundation trust and can tell hon. Members what it is like at the front end, trying to run facilities when the chief executive comes in in the morning and some wards are at 146 per cent. capacity. That is real pressure. I do not know quite how one deals with that, but the pressures exist.

If we are to consider types of outsourcing, we must consider carefully who we do that in partnership with. As for our relationship with the care sector, if we are increasingly revolutionising the way in which we deliver services, we know where the weak link is. Sadly, it is in the care sector, which is totally vulnerable. We need to make sure that there is a better relationship between health and care. If there is continual revolution, that will never happen.

I conclude with remarks on what I am most angry about: the reorganisation of the ambulance trusts. In Gloucestershire, we were given the answer at the outset and told that we would be consulted. The answer was that there would be a unified trust unifying Avon, Gloucestershire and Wiltshire. We had a wonderful report from PricewaterhouseCoopers with traffic light signals telling us that option 1, the status quo, is red, which means that it will not be chosen, and that option 3, the unified arrangement, is green, which means that it is the one that we will go for.

Clearly, the report is a self-fulfilling document, which comes up with the desired answer. I maintain that there is a different way of doing things through the tri-service arrangements that my near neighbour in Cheltenham mentioned. Such arrangements should be properly evaluated before we mess around with that vital service, which must be linked with health as well as wider ambulance provision. The failure to deal with problems on the ground means, effectively, that we have no passenger transport. We do well with emergencies and keep within most targets, but there is no transport to get our constituents to hospital and we rely entirely on the voluntary sector. We must do something about that. That is where the pressure points lie; let us forget the structural changes and get on with the real job.

3.25 pm

Mrs. Janet Dean (Burton) (Lab): I thank my hon. Friend the Member for Staffordshire, Moorlands (Charlotte Atkins) for securing the debate. I shall be brief, but I echo her and other hon. Members' comments about the Staffordshire ambulance service, which is consistently the best in the country, offers value for money, and is innovative. If it is not broken, we should not try to fix it.

As for PCTs, we have waited 25 years to find the perfect solution to the organisation of health services. I tell my hon. Friend the Minister that there is no perfect solution. There are different geographical areas in this country and, because there is no perfect solution, we should stop looking for one. Through perpetual change, we create anxiety among staff and afford no opportunity for the health service to settle down.

I understand the need to ensure that the unprecedented expenditure on health is well used, and that we must reduce spending on bureaucracy, and instead concentrate it on patient care. However, I am concerned that the links of PCTs with local authorities and communities will be lost. I am also concerned that the ability to develop local services and meet local need will not be able to continue if PCTs are altered. I seek reassurance that the comparative underfunding of PCTs such as East Staffordshire will continue to be addressed, and that we shall not lose out in a larger PCT area, as we did under the old health authorities.

I question whether there is true support among GPs for practice-based commissioning. Most important, I seek further reassurance, as have others, that PCTs will be able to continue to provide services directly. There is much talk about choice in primary care, but most people who need community nursing or physiotherapy do not want choice; they want a decent service in their own homes or their GPs' surgeries. Our district nurses and other health service professionals have seen numerous changes in recent years and they deserve certainty.

Finally, I turn to PCTs and the innovations that they can bring, and I shall quote two examples. The first is the renewal of Barton-under-Needwood cottage hospital, which was brought about because of the involvement of the PCT. Secondly, the development of a health centre in Winshill, in a relatively poor area of my constituency, would not have been possible had it not been for the PCT's ability to employ GPs directly, because none was interested in establishing a practice there. I seek reassurance that not only will the health centre be able to continue through whatever PCT we have, but that such services will be able to be developed in the future.

3.28 pm

Dr. Tony Wright (Cannock Chase) (Lab): If we abolish anything today, let it be the dreadful word "reconfiguration". It is an ugly weasel word, and the truth is that bad language conceals bad thinking. The fact that the NHS has an independent reconfiguration panel puts the fear of God into me. Whatever else we do, please, no more reconfiguration.

If I were asked to name the two public bodies that are working best in my patch, my answer would be the Staffordshire ambulance service, which is the best in the country, and Cannock Chase primary care trust, which has revolutionised health care for my constituents. I recently received a letter from the longest-serving GP in my constituency. He said that, were we to get rid of the Cannock Chase PCT, we would be putting all that we have achieved in recent years back into the great bureaucratic pot from which we once lost out.

I looked at the consultation of four years ago that set up the PCT. I shall not go through the whole thing because I do not have enough time, but the criteria that were brought to bear on the decision were exactly those that are relevant now, including locality focus. That consultation answers why we cannot merge three of the primary care groups in Staffordshire into a primary care trust. It states:

"This merger would involve a total population of 385,000. This would make it difficult to provide a locality focus for the specific areas."

[Dr. Tony Wright]

It goes on to say that the particular socio-economic characteristics of Cannock Chase would be lost were any larger scheme in place.

Four years on, the PCT has a population of 800,000. It is losing all its locality focus, as well as the attention that is paid to the socio-economic characteristics of the area. The PCT is the best thing to have happened to health care in my area, and I am not prepared to see it disappear.

I support the Government mantra on their approach to public service reform: "What matters is what works." That is a sensible, non-ideological approach. It is daft to replace it with one that says, "If it's working outstandingly well, abolish it"—sorry—"reconfigure it."

3.31 pm

Julia Goldsworthy (Falmouth and Camborne) (LD): I will keep my remarks brief because I am looking forward to the Minister's response to the thoughtful, passionate and often entertaining contributions.

I congratulate the hon. Member for Staffordshire, Moorlands (Charlotte Atkins) on securing the debate. Many hon. Members think that the issue is important to their constituencies, not to mention the wider impact that reorganisation will have on the NHS.

The debate's thoughtfulness stands in stark contrast to the Government's approach. The speed with which reforms have been introduced and rushed out has allowed little opportunity for scrutiny. We heard several times about the letter from Nigel Crisp which hit hon. Members' desks. It was sent out on 28 July, after Parliament had gone into recess for the summer. The final sentence in the letter referred to the reorganisation of ambulance trusts. It did not merit more of a mention than that, and that is very concerning. The fact that the Royal College of Nursing is taking legal action because of the way in which the letter was issued speaks for itself. I am not sure whether it is because I am a new Member who does not understand the process, but it would have made more sense to consult on and issue a White Paper before any discussions were held on restructuring the ambulance trusts. Surely it makes more sense to decide on function before structure.

The speed with which reforms have been introduced has also been demoralising for primary care trusts and their staff. They were only set up three years ago, and this is the third restructuring in 10 years. Many think that their existing work programme will disappear and their priorities will be lost, along with the connections that the existing primary care trusts have established with local communities. Much of what we have heard has focused on the importance of those connections. It is not even a one-size-fits-all approach from the Government, but a case of any size fits as long as it is bigger than what we have now.

My primary care trust in Cornwall accepted that restructuring and some type of strategic vision were required. The three primary care trusts in Cornwall dealt, with varying degrees of success, with the financial deficits with which the previous restructuring had left them. Although some PCTs had good recovery plans in place and were returning to an even keel, others had fared much worse. As a result, their deficits have been getting much bigger.

Those that have been working hard think that there is no point in enduring all the pain if they will not see any gain. Why should they have any financial stringency if, in a couple of years, they are reorganised once again? Why work towards building good local connections and services if all that restructuring means that the progress is lost again? My hon. Friend the Member for Cheltenham (Martin Horwood) made that point well.

One of the Government's key comments about trying to build up good financial management is ironic when a key driver behind the reorganisation is economic savings rather than putting the patient first. The savings target from the restructuring of primary care trusts is 15 per cent. That automatically implies larger primary care trusts, irrespective of whether there is coterminosity with social services.

Coterminosity exists between primary care trusts and social services in London, yet the Government are planning to move to five super primary care trusts there. If coterminosity is a goal, why are the Government considering taking that away from London? Only speed, and the need for saving, is driving the move. Perhaps the plan is to fulfil the requirements of the Gershon review rather than to improve services.

There are many cases in which restructuring will result in turmoil, greater costs and poorer services. One example is Milton Keynes. The suggestion is to merge all three primary care trusts in Buckinghamshire, including Milton Keynes, into one, but because it is a unitary authority, Milton Keynes and Buckinghamshire want two PCTs—one to match the boundaries of Buckinghamshire county council and the other to match those of Milton Keynes. That sounds as if it makes sense, but they are being told that they have to move to one PCT. There has been a lot of joint working already. They have appointed a joint public health director with the PCT and pooled budgets in other areas of social care. Reorganisation will mean increased costs because they will have to undo that good work and start all over again. There will be not only a financial impact but a loss in terms of the progress they want to make.

Paul Farrelly: I know Buckinghamshire well because I had the pleasure of fighting Chesham and Amersham in the 1997 election. As with Milton Keynes and the rest of the county, Buckinghamshire is similar to Staffordshire and Stoke-on-Trent, yet in that city one PCT is proposed and accepted. There is no consistency of thinking across the NHS between different counties.

Julia Goldsworthy: I agree. It is difficult to understand the logic behind many of the restructurings. Rather than creating coterminosity and partnership working, those are being destroyed in many cases. As my hon. Friend the. Member for Sutton and Cheam (Mr. Burstow) said, continuity of care is being put at risk. Often, new structures for a move to PCT commissioning services are being created when there is no clear idea who will provide them or whether there is the capacity to make those changes. It makes one ask whether the changes are being driven by dogma rather than what is most suitable for local areas.

Primary care trusts that continue to provide some care may strengthen their position as commissioners, as it could give them greater leverage to transfer out of hospitals rather than into them. The Department of Health may change its mind on that. Is it Nigel Crisp's guidance to move away from providing services by the end of 2008, or is it closer to what the Secretary of State said in Health questions last week—that community staff employed by primary care trusts will continue to be employed by primary care trusts unless and until the primary care trust decides otherwise, following full public consultation? Will the Government withdraw the guidelines? Will there be a move away from providing services? Will there be a clear statement of the direction of policy? I shall be grateful if the Minister makes that clear.

Much has been said about the changes that have taken place, whether it is the new GP contracts, the strategic health authority reconfiguration, payment by results or foundation trusts, and there is much uncertainty about the impact of those changes. The Government are introducing more change and more uncertainty, not only for NHS staff, but for patients, too. Although there has been national public consultation events for things like the White Paper, there has been no proper consultation of staff or consultation at a local level for the reconfiguration, which might be in place by April next year. Will the Minister make the future direction of policy clear? If, after local public consultation, primary care trusts decide that they want to continue to provide services, what will be the Government's response?

3.39 pm

Tim Loughton (East Worthing and Shoreham) (Con): I start by congratulating the hon. Member for Staffordshire, Moorlands (Charlotte Atkins) on securing the debate. It is notable that this is the third debate in two days in Westminster Hall which has centred on complaints about what is going on in the NHS. I fear that I have not so much been involved in a debate, as intruded into a meeting of the parliamentary Labour party, such has been the catalogue of gripes that Labour Members have come up with.

The hon. Lady herself said that there had been many objections to the proposals which had been ignored. There was no evidence that the Department of Health was listening. The hon. Member for Pudsey (Mr. Truswell) described the PCT proposals as tablets of stone that were dropped down from the Department of Health. He asked what was broken and said that the whole process was flawed. The hon. Member for Newcastle-under-Lyme (Paul Farrelly) described it as ineptitude of truly mind-boggling proportions, saying that it was change for change's sake, based on dogma.

The hon. Member for Stroud (Mr. Drew) talked about disembowelling PCTs. The hon. Member for Burton (Mrs. Dean) said that local links would be lost. The hon. Member for Cannock Chase (Dr. Wright) said that bad language conceals bad thinking and if something is working outstandingly well, it should be reconfigured. The priceless contribution from the hon. Member for Pendle (Mr. Prentice) was that he was fed up with the whole hall of mirrors and the Government's little red book of Maoist thinking. According to him, this is a continuous reinvention and renewal process and the wholesale privatisation of our health service—a 900 lb hairy gorilla plucking parts of the health service away. It is back-of-the-envelope stuff and there is no coherence at all.

3.41 pm

Sitting suspended for Divisions in the House.

4.23 pm

On resuming—

Tim Loughton: Having echoed all the excellent comments of Labour Members, there is little more for me to do in this debate. Their comments show that there is more than a faint whiff of suspicion that staff and patients are being bulldozed into the changes. It is understandable that many people are worried.

The proposals are the latest in a string of gaffes and shambles that have come out of the Department of Health in recent weeks, at a time when PCTs and other health trusts around the country are facing enormous financial deficits that have been greatly underestimated by the Government; for example, 80-odd community hospitals are under threat. As the hon. Member for Stroud said, this debate and the one in this Chamber this morning are one seamless debate. A recent British Medical Association survey found that three out of four trusts were facing financial shortfalls of between £0.2 million and £25 million each. There are, of course, the historic financial deficits that they took on; 19 out of 28 strategic health authorities predict deficits in their region approaching £1 billion overall. The RCN has predicted a loss of 3,000 jobs.

There is concern that the proposals for changes to structures are made from a position of weakness and financial necessity rather than one of strength, and that they are not driven by a desire to make improvements to patient service and staff support.

I shall quote from a member of staff from the East Staffordshire primary care trust in the county of the hon. Member for Staffordshire, Moorlands. Mrs. Susan Voyce, who joined the PCT two years ago, wrote to the Secretary of State, various other Members of Parliament and others as a fairly new employee of the NHS. She said:

> "I couldn't help but notice the dedication and enthusiasm of the staff and their commitment to improving the healthcare of the local people in East Staffordshire—I really felt that, at last, I was doing a very worthwhile job.
>
> During this relatively short time I have observed the instigation of many new initiatives, all set up to improve the health of the population in primary care, which I understood was on the Government's Public Health Agenda. If the proposed merger of the 6 PCTs in Staffordshire into 1 large organisation is approved, then all this hard work, dedication and improvements to our local health service will be lost."

I am sure that her comments are typical of many others who work in that PCT and others throughout the country which face an uncertain future.

The same is true of my own primary care trust in West Sussex. Adur, Arun and Worthing PCT has a population of 230,000 to look after, and five PCTs will be merged into one super PCT for almost 750,000 people in the whole county of West Sussex. That bears a remarkable similarity to the boundaries of the old

[Tim Loughton]

West Sussex health authority with which we started in 1997. How much money, time and effort has been spent and expended to replace the structure that was in place eight years ago? What will happen to much of the expertise of those in other PCTs in West Sussex who will not form the management of the new super PCTs?

That reorganisation may be right, and we should welcome any reductions in bureaucracy, as they have not transpired so far. If it means saving about £636 million that can be recycled to front-line patient care, it has its merits, but why is it being done in such a hurry? Many people have said that local focus will be lost. We have heard that from many hon. Members present. The Government have performed a U-turn since the initial missive from the Department of Health in July.

The *Health Service Journal* and NHS Alliance carried out a survey of all PCT chairmen in England, revealing that three quarters said that local circumstances and patient needs were not receiving proper consideration in planning reconfiguration, while only 20 per cent. said that they were. Some 54 per cent. said that reconfiguration would have a neutral impact on the quality of patient care, while 31 per cent. believed that the impact would be negative. Some 58 per cent. said that patient care would suffer from the planned cut in management cost, and four out of five said that reconfiguration would weaken the clinical engagement of GPs and GP practices in their areas. The comments go on.

The RCN's comments reflect the criticism of the rushed and confused way in which reorganisation is coming about. It is taking legal action against the Government over their announcement of the document, "Commissioning a patient-led NHS". The RCN is seeking a judicial review of the Government's failure to carry out public consultation on the proposed changes to the role of PCTs in England.

The RCN says that giving PCTs a "minimum" provider role will dramatically redistribute the balance between public and private provision in favour of the latter and that there are enormous work force implications for front-line staff. That is right, particularly as we have been told that the proposals for the changes must be in place by October 2006.

What about the problems with PCTs with large deficits—which we know many of them have—proving unattractive merger partners for PCTs that have been able to balance their books? What is the rush that has brought about those changes, such that the documents for them were issued just a few days after Parliament went into summer recess? Where is the detail?

Cathy Newman and Nicholas Timmins in an article in the *Financial Times* two weeks ago said:

> "250,000 staff have been left with no idea who their new employer will be—possibly the private or voluntary sector, possibly local government, possibly GP practices, or even themselves if they set up as local entrepreneurs."

Are the Government still to put a cap on how much will be done by the independent sector, or is it now a completely free and open market? There are enormous work force implications for front-line staff.

The idea might be a good one, but what is there to distinguish it from the extension of GP fundholders made under the last Conservative Government? That is another example of a wasted, expensive eight years. There will be a serious impact on the NHS because 300 PCTs in England control three quarters of the NHS budget and provide a wide range of non-hospital related services. I will not continue because I know that hon. Members want to hear the Minister's response on the ambulance trust, but many Members have reflected anger about another ill-thought-out regionalisation of services, which will reduce the number of ambulance trusts by a drastic 50 per cent. A reduction to such a small number was certainly not envisaged in the Bradley review.

The proposals are hasty and ill thought out with little genuine consultation. What is the hurry? What is the real motivation behind the changes? Is it making real progress in the health service, or dealing with deficits? At this time record amounts of expenditure are going into the health service, but what on earth will happen when that tails off in the next few years? Will yet more change help the NHS after years of permanent revolution, as various hon. Members have said? If it ain't bust, don't fix it. When will the Government acknowledge the genuine concerns of many members of staff whose jobs depend on the future structure of PCTs?

Ultimately, has everything already been decided? Will the Minister come clean on that? Will he come away from the hall of mirrors that the hon. Member for Pendle said he was sick of, clear up the confusion and give a clear steer on the Government's intentions? They owe that to the many dedicated members of the NHS who work within PCTs, and for whom the changes will have a desperate and important impact.

4.32 pm

The Parliamentary Under-Secretary of State for Health (Mr. Liam Byrne): Thank you, Mr. Chope, it is a privilege to serve under your chairmanship. First, I congratulate my hon. Friend the Member for Staffordshire, Moorlands (Charlotte Atkins) on securing the debate on the future of primary care trusts and ambulance trusts. I congratulate her not simply on securing the debate but on the action that she has taken: she has raised the matter with the Prime Minister and on the Health Committee. Today she was admirably supported by my hon. Friends the Members for Newcastle-under-Lyme (Paul Farrelly) and for Cannock Chase (Dr. Wright). It is a good example of the way in which she has championed the issues that matter to her community.

The backdrop to today's debate is rapidly rising levels of investment in the national health service. It will have risen from £33 billion in the year the Government were elected to more than £90 billion in a couple of years' time, including £30 million extra for the local PCT of my hon. Friend the Member for Staffordshire, Moorlands. That increased investment, combined with the hard work of nearly one and a half million NHS staff, is transforming our hospitals, reducing waiting lists, improving accident and emergency departments and providing modern services, which means people are living longer. Rates of cardiovascular disease are down by nearly 31 per cent. and death rates from cancer are down by nearly 12 per cent. Those are admirable achievements for any Government.

However, the vast majority of patient contact with the NHS is through primary care. In fact, 90 per cent. takes place in primary care settings and the challenge in the

next four to five years is how we improve primary and community services. We need dramatically to strengthen the services provided for people with long-term conditions and how we provide services in the community. In this country, 14 million people have a long-term condition and 2 per cent. of long-term condition patients account for as much as 30 per cent. of hospital admissions. Much of the care for those people can be provided far more effectively in the local community.

My hon. Friend the Member for Pudsey (Mr. Truswell) spoke of problems in hospitals in Leeds. I would add more challenges to the list he eloquently outlined this afternoon. Too many people are still waiting too long for treatment. Waiting times for diagnostic scans, such as MRI tests, are too long. Too many people, particularly those from disadvantaged areas, cannot find a GP fast enough or, when they have a family doctor, cannot get an appointment at a time that suits them. Too many patients are admitted to hospital because the care that they might have preferred to receive at home simply is not available in the right way at the right time.

Patients want more control over the care that they receive: they want to be able to make choices about how services are best delivered to them, they want the services to be more convenient, they want to have their voices heard and they want to be fully involved in the treatment plans. They want an NHS that works with patients, not an NHS that simply does things for patients. The question at the centre of today's debate is: how do we do that? How do we modernise the national health service? How do we create a patient-led NHS? I would argue that we have to invest more in community health and care services. An improvement—a step change—in the way in which we commission services is critical to the next period of change. That means that the NHS must get better still at securing the best possible services.

What that means for us at the beginning of this term of Parliament is that we must get the structures of primary care trusts right. We are about to put another £22 billion in growth money into the national health service. In our first two terms, we revolutionised hospital care—thanks not least to the 138 new or refurbished hospitals that have been delivered across the country. The risk we have to manage now is that a strong, vibrant and incentivised hospital sector has the potential to suck resources towards it, unless it is counterbalanced by an equally strong and vibrant commissioning function that represents patient interests effectively.

I welcomed the recognition of the need for reform expressed by my hon. Friends the Members for Staffordshire, Moorlands and for Stroud (Mr. Drew). My hon. Friend the Member for Pendle (Mr. Prentice) will be delighted to hear that I am no Maoist. I do not believe that permanent revolution is something to be encouraged. However, the hon. Member for Sutton and Cheam (Mr. Burstow) asked, "Why fix something if it is not broken?" I am afraid that that slightly misses the point. The question is not whether primary care trusts are broken, but how we make them stronger still.

My hon. Friend the Member for Newcastle-under-Lyme asked what evidence we had to back up our reforms. The sheer variability in health outcomes across the country is unacceptable and provides a clear sign that things have to change. Local primary care trusts must get much stronger. However, as part of the reorganisation, it is important that we ensure there is a proper consultation process. This was flagged up in March, so there has been some time since then. The initial proposals would be subject to full statutory consultation, where appropriate.

My hon. Friends the Members for Staffordshire, Moorlands, for Cannock Chase, for Newcastle-under-Lyme and for Pudsey raised some important concerns about proposals for PCT reconfiguration in Staffordshire and Leeds. I am extremely grateful to them for bringing those matters to the attention of this Chamber and I will personally ensure that the external panel is alerted to those concerns. My hon. Friends asked for reassurances that processes are not prejudged. It would be quite improper for statutory consultation processes to be prejudged in any way.

The hon. Member for Sutton and Cheam and my hon. Friends the Members for Newcastle-under-Lyme and for Cannock Chase alluded to the question of how we ensure accountability and local responsiveness in the reorganisation. Those matters will be dealt with in the White Paper that my right hon. Friend the Secretary of State will publish at the turn of the year.

The hon. Member for Cheltenham (Martin Horwood) raised important concerns about deficits and the treatment thereof in the proposed reorganisations. Work is under way on the financial strategy to accompany the White Paper and I will write to him with further details of that when it is ready.

Staffing is one of two central points. In the future, the way in which we deliver services should be varied according to the different needs that people have. The needs of people with chronic obstructive pulmonary disease are different from the needs of people who have had a stroke. In the case of prevention, the strategies involved in smoking cessation are different from the strategies needed to reduce levels of teenage pregnancy where they are too high. We need variability in different models.

However, there are three key facts and I hope that they provide some reassurance to my hon. Friends the Members for Pudsey, for Pendle and for Burton (Mrs. Dean). First, district nurses, health visitors and other staff delivering clinical services will continue to be employed by their PCT unless and until that PCT decides otherwise. Secondly, the terms and conditions of staff will be protected. Thirdly, any decision to alter the status quo would be driven locally following our White Paper deliberations. Form will follow function.

Mr. Burstow: The "unless or until" point has been repeated time and again as a mantra. How contingent is that "until" on what the White Paper tells PCTs what to do?

Mr. Byrne: I accept that point, but it would be wrong to prejudge the outcome of the White Paper. The heart of the matter is to ensure that, as the great philosopher Billy Connolly said, our "dogma mustn't run over our karma". That point was eloquently made by my hon. Friend the Member for Cannock Chase. I assure my hon. Friends the Members for Newcastle-under-Lyme

[Mr. Byrne]

and for Pendle that I am sure my right hon. Friend the Secretary of State for Health will have the last word on health policy on this matter.

Martin Horwood: Will the Minister give way?

Mr. Byrne: I will not because I have three more points to make before concluding.

My hon. Friend the Member for Staffordshire, Moorlands raised important concerns about Leek. I hope that my hon. Friend the Member for Pendle will forgive me for quoting from the little red book. It was clear on community hospitals and said that this Government's policy will be to ensure a new generation of community hospitals, which are extremely important, and that where staff are employed by the PCT the Government's policy—I have just outlined it—will apply.

My hon. Friend the Member for Staffordshire, Moorlands raised important concerns about ambulance trusts and reorganisation. I was first alerted to the brilliance of Staffordshire ambulance service by my hon. Friend the Member for Cannock Chase when I was writing a book about reform in public services a year or two ago. The plans that have been put forward in the west midlands confirm that there is a need for local call centres and local management autonomy and flexibility if we are to preserve the advantages and secure the further advantages of the plans for new investment.

Orthopaedic Surgery

4.42 pm

Mr. Bob Blizzard (Waveney) (Lab): Most debates in this Chamber take the form of an hon. Member identifying a problem and asking a Minister to tackle it. Unusually, that is not what I want to do today. I want to tell, and share with my hon. Friend the Minister, a remarkable success story at my local hospital and to show how the whole national health service can benefit.

Our NHS has two distinctive features. First, it is free at the point of delivery, regardless of ability to pay, which is why it commands overwhelming public support. That is a principle that must never be abandoned. The second feature is not good: the wait for treatment. That is the worst feature of the NHS and is what most people want changed. The Government undertook a massive public consultation on the NHS in 2000 and waiting was by far the main concern of the millions of people who responded; that is the same today.

One of the largest contributors to overall waiting lists is orthopaedic surgery, such as elective work on hips and knees, which also has some of the longest waits. As people live longer and medical health improves, the demand for replacement of worn-out joints continues and will continue to increase. National figures and those that I have seen for my local hospital show that, over the years, those on orthopaedic waiting lists comprise at least one quarter of the total of all those waiting up to six months for treatment. On average, they have comprised those waiting six to nine months and form the vast bulk of those who have had to wait more than nine months.

The Government's record on reducing waiting lists by around 300,000 and getting waiting times down from 18 months or more under the previous Government to a maximum of nine months last year and a maximum of six months by the end of this year is one of their best achievements. They have increased resources and set targets. However, the Department of Health has said:

"Orthopaedics is considered the biggest challenge to delivering the December 2005 target."

In January 2004, the national orthopaedic project had to be set up, in the words of the then Health Minister, my right hon. Friend the Member for Barrow and Furness (Mr. Hutton),

"to reduce long waits in a challenging area."

With effort and drive, our aim is that by the end of December this year, no one will wait more than six months. Any objective observer would conclude that that represents huge progress since 1997. However, the wait is still six months and to an individual patient, that seems a long time, especially if he is in pain. As people forget the old 18-month waits, they will feel that the NHS is not what it should be if they have to wait for six months or even 18 weeks. As things stand, waiting is still set to be part of the NHS.

I can tell the Chamber, however, that at my local hospital, the James Paget health care trust, patients of orthopaedic surgeon Mr. John Petri do not wait for six months or 18 weeks. Mr. Petri, as I told the Prime Minister this afternoon, has no waiting list at all. Let me explain how that remarkable achievement came about.

John Petri used to work in France. When he arrived at the James Paget, he could not understand why we had long waiting lists. The hospital at which he had worked in France was of a similar size, serving a similar size of population with fewer resources, but with no waiting lists; they were unheard of. At James Paget, there were twice as many orthopaedic surgeons and twice as many anaesthetists as in his hospital in France, but they worked in a different way, in different hours, and performed fewer operations.

In France, it was normal for a surgeon to work with two teams in two theatres, moving, after scrubbing up, straight from an operation in one theatre to another in a second. Here, he found that after an operation it was normal for a surgeon to sit around drinking tea and waiting for his one team to prepare the next patient for the same theatre. That is what is wrong with the surgery system in our hospitals. In a typical three-and-a-half-hour operating session, only two hours of a surgeon's time may actually be spent operating. As Mr. Petri put it, if we were running a factory, we would not allow our most important and expensive machine to stand idle for that length of time. I would suggest that the same is true of a surgeon in a hospital.

There was another key difference. The French hospital had three theatres, compared with two at James Paget. We have the wrong balance of resources between surgeons and theatres. In about 2000, when Mr. Petri saw more resources coming in to the NHS, he put a proposal to the management of the hospital to introduce the dual operating system there. That was when I first met him. He felt that orthopaedic patients were being let down by the NHS; there was something seriously wrong and they deserved better. Sadly, the other surgeons at that hospital did not wish to change. They said that dual operating would not work and so, at that time, did the Royal College of Surgeons. However, the chief executive of the hospital, David Hill, and his managers backed John Petri.

In 2001, Mr. Petri began a pilot scheme of one dual operating session a week, and his team visited France to see the system in operation. Quickly, his waiting list for hip operations reduced from one year to three weeks. The system worked, but more theatre space was needed for it to continue. A business case was put to the strategic health authority, and it supported it with £2 million for a new theatre, which was opened in 2003. Dual operating was phased in as additional theatre and ward staff were recruited, additional beds opened and the process was refined.

Dual operating has been running fully in 2005. Mr. Petri performs two such sessions a week in addition to one conventional session. It involves his being allocated two theatres for five hours instead of the conventional three and a half hours. Both theatres are fully staffed, and he operates on one patient while the next is prepared in a second theatre. He then moves on to the second patient, leaving a support doctor to complete the first operation by stitching up and such like. By the time he has finished in the second theatre, a third patient is waiting for him in the original theatre, and so on. He can perform two or three major operations and four or five minor ones in a five-hour session, compared with one major and a couple of minors in the conventional way. There is more flexibility and there are fewer cancellations.

Trial figures show that in 50 operating sessions, John Petri performed 270 operations. Two colleagues, in 50 sessions each using single theatres, totalled 225 operations. That is why John Petri now has no waiting list. Not only is he maintaining that position, he is now taking patients off his colleagues' lists, reducing waiting times across the hospital.

Mr. Anthony Wright (Great Yarmouth) (Lab): My constituents in Great Yarmouth share the hospital with those of my hon. Friend. Is not the lesson to be learned from the example of that particular surgeon, that the issue is not just the resources that go into the hospitals? Millions of pounds of investment have been made in our hospital in Great Yarmouth, but does my hon. Friend not agree that his example proves the point that it is about the working practices, not just of the surgeons, but of the rest of the staff? If there is a trend towards looking at other practices across the UK and Europe and throughout the world, we can learn a lot and benefit our constituents, whom we are here to serve.

Mr. Blizzard: My hon. Friend is absolutely right. The change could not have happened without the £2 million investment from the NHS, but it would not have happened without the innovative and brave stance taken by Mr. Petri. It raises some questions—as I will go on to show—about the way in which surgeons work. I hope that there are some lessons to be learned.

Mr. Petri said to me:

"a three and a half hour session is absurd, it's office hours. A theatre is not an office."

He said that he feels energised by what he is doing, and that he felt sleepier under the old system, with long breaks between the operations. He has been nominated for the 2005 medical futures innovation award, and we will know tomorrow night whether he has won. He deserves to win, because he is a hero of the NHS.

Full credit, however, must also be given to the James Paget hospital, its management led by David Hill, and its board led by John Hemming. It is a top-performing three-star hospital with no deficit, which has always met all its targets and which will move to foundation status in April. The hospital backed John Petri and, as a quality organisation, managed the necessary changes. Those changes could not have been made without such management and the investment that the Government have made in the NHS.

John Petri is an innovator, but what is being achieved is also a team effort involving the support of anaesthetists, theatre staff, ward staff, sterile services staff and porters. On behalf of my constituents and those of my hon. Friend, I should like to thank all those staff who have signed up to dual operating.

Sadly, the other orthopaedic surgeons have not signed up to it. Even though dual operating has been proven to work, the other orthopaedic surgeons at the James Paget hospital will not change over to it. The historic compromise made at the birth of the NHS means that they are contracted to the hospital, not employed by it, and so the hospital management cannot require them to change.

I asked the Royal College of Surgeons to comment. I would not say that it was completely negative, but it was not yet convinced. It said that the system needed

[Mr. Blizzard]

trialling—I pointed out that it had been going on for the best part of a year—and that it wanted to look at it more carefully. I had thought that it would be more welcoming of the idea, and would ask what we needed to do to make it work, rather than being sceptical about it. However, to be fair, the president and vice-president of the royal college will visit James Paget hospital in a couple of weeks.

I asked why other surgeons would not take up that innovation. Habit and lack of motivation must be part of the answer. The new contract for consultants seems to give them no incentive to do so; in that respect it was a missed opportunity. One should also ask whether those at the top of the NHS—those who manage the NHS—really understand what is going on down below, and whether those down below really make the effort to alert those at the top. The system of tea drinking never seems to have been challenged either from within or outside the NHS.

If surgeons do not want to change, one should also ask whether there is really a full commitment to the NHS. Are they really worried that if they have no waiting list, there will be no private patients? Do they have a vested interest in maintaining some waiting lists? Mr. Petri's private income has fallen by 10 per cent. in the past year, and he expects it to fall further. However, he said to me:

"I care about my private practice but I care more about people who have no money getting their operation tomorrow and not having to wait a year."

Where are the other surgeons who think like that?

Why have we got the wrong ratio of surgeons to theatres? Has the Department of Health studied the number of operations performed in relation to the number of surgeons employed over the years? Have we had the corresponding rise in the number of operations from the increased numbers of surgeons?

The number could be going down because of changes in anaesthetics. In the UK, we have traditionally made quite heavy use of general anaesthetic compared with other countries, and that entails certain dangers. As we rightly move towards more use of local anaesthetics, I am told that that will increase the pre-operative preparation time, resulting in more tea drinking for surgeons unless we change the system.

I also asked Mr. Petri whether dual operating had wider application to surgery beyond orthopaedics. "No doubt", he said. It is not applicable for longer operations but, for operations of between one hour and one and a half hours, he said that we "Could do it easily". In the light of that, on behalf of patients in my constituency and that of my hon. Friend the Member for Great Yarmouth (Mr. Wright) and patients all over the country, I must lay down a challenge to surgeons: please have a good look at Mr. Petri's example and please follow it. I ask my hon. Friend the Minister to take this matter further and to encourage the surgeons to follow that route.

"Contestability" is the new word in the national health service. Let us contest the working practices of surgeons. Our aim as a Government is to get down to a maximum wait of 18 weeks. To do that, we are reorganising primary care trusts, introducing GP-based commissioning, shaking up local providers and giving patients a choice of four treatment centres. I wonder whether following Mr. Petri's innovation might be a simpler way of bringing down the waiting times, but we are going down that road. Dual operating needs to be part of the new system. If it is, we might be able to exceed the 18 week target by a long way.

I am convinced that it is right to have a patient-led NHS, but patients rarely challenge doctors. They usually see them as some kind of God who can do no wrong and they tend to blame politicians for the shortcomings of the NHS. Given Mr. Petri's innovation and the reluctance or unwillingness of surgeons to adopt it, the public must ask questions of their consultant surgeons. They must challenge why their consultant is not doing dual operating and achieving a waiting list of zero.

I am not criticising surgeons' expertise, commitment to the job or care. I was admitted to the James Paget hospital with a broken hip; it was an emergency. Those who operated on me and subsequently looked after me as an out-patient were first class. I know that when I go back next year to have all the metalwork in my hip removed, I will receive excellent treatment, despite making this speech.

For a long time in this country, there has been an acceptance of waiting lists. People have never really asked why they exist; they might assume that the NHS needs more funding. None of them know about the tea drinking. How can they when they are on the operating trolley? John Petri told me of the looks on his patients' faces when he tells them that they do not have to wait at all. This should be the norm.

I hope that my hon. Friend the Minister will, as a result of this debate, undertake to examine how dual operating can be introduced in all our hospitals. After all, we know the benefits of dual operating in Westminster Hall; this debate would not have taken place at the same time as the one in the main Chamber if we did not have dual operating.

4.58 pm

The Parliamentary Under-Secretary of State for Health (Caroline Flint): May I say to both my hon. Friends the Members for Waveney (Mr. Blizzard) and for Great Yarmouth (Mr. Wright) how grateful I am that they have had the opportunity of this Adjournment debate to discuss this issue? Undoubtedly, there are issues about resources in the NHS and I will explore them in more detail. Resources are needed, but this is not just about them; it is about thinking outside the normal framework and the traditional way in which things have always been done.

One pleasing aspect of this Adjournment debate, secured by my hon. Friend the Member for Waveney, is that it seems that in his hospital, in which my hon. Friend the Member for Great Yarmouth also shares an interest, there is a culture of opportunities for staff to raise issues and ideas. Management will then try to pay heed to those and consider where they can be introduced and supported to make a difference to the patients in Waveney and Great Yarmouth.

There has been a view, which I am glad to say is changing, that the NHS is characterised by long waits in accident and emergency, long waits to see a GP and very

long waits to see a hospital consultant. Many patients were waiting more than 18 months for an operation. To be honest, when we came to power in 1997 the situation was out of control. It was particularly bad for patients waiting for orthopaedic operations, who would often be in pain and have restricted mobility that could affect their work and other aspects of their lives, thereby having a knock-on effect on their families.

Against that background, the changes that we have brought in, with the help of dedicated staff, have been astonishing. Gone are the days of 18-month-plus waiting times. Now nobody should wait more than nine months, and that will be down to six months by the end of the year. In 1998, the average waiting time for an orthopaedic operation was more than 19 weeks; it is now down to just 12 weeks, and it is still falling.It is our ambition that by 2008 we will have brought down the entire time from GP referral to the start of treatment to a maximum of 18 weeks.

What is heartening about today's debate is that it highlights that as well as what we are doing, we can explore problems and achieve innovation in the way that Mr. Petri has shown. It is important to examine the practices that exist and how they can work better. As my hon. Friend the Member for Waveney pointed out, not only has Mr. Petri led in this area, based on his experience of working in France, but he has convinced the team that he works with that what he has pioneered can make a difference to the patients. I am sure that that must lead to more job satisfaction—for example, from the look on the faces of patients who are told, "There are no waiting lists, so we can see you as soon as possible." That makes a welcome change from the long waits that people are often used to. I am glad to see that that, and what people expect from the NHS, is changing.

We have made a huge investment in the NHS. We have increased the budget from £34 billion in 1997–98 to £70 billion this year, and that figure will top £90 billion in 2007–08. In orthopaedics, we have increased the number of consultant doctors by more than 40 per cent., and I understand that there have been similar increases in the numbers of physiotherapists, occupational therapists, specialist nurses and theatre staff.

I read in a newspaper a call from the Royal College of Surgeons for more theatres and more staff. Clearly, in Mr. Petri's hospital there was an understanding that in order to initiate reform and shorten the waiting lists there had to be investment, and it is my understanding that that was attended to in respect of both theatre facilities and staff. We have to challenge those who say, "It's just a question of more money," by asking them, "How are you using the facilities and the staff that you already have in your hospitals?" It is always possible to come up with a thousand reasons why systems of working cannot change, but it would be nice if people occasionally looked at the example of what is happening in Great Yarmouth under the leadership of John Petri—and with the support of other hospital staff—and if they said, "If they can do it there, why can't we do it here?"

That is an issue for a patient-led NHS. Patients often accept that what they are being told is what they can expect; it is what they are used to. I hope that the recent publicity might make more trusts question how they operate. I hope, too, that patients will have read the story and will ask questions of their GPs and others. I would also like the patient representatives who are involved in our local patient forums, and those who are on the boards of PCTs and trusts, to say, "Well, hang on; it might not be simple to do the same thing in our community, but can we at least explore why it can't happen here as well as in Great Yarmouth?"

Orthopaedics presents particular challenges in respect of getting waiting times down. That is why we set up the national orthopaedics project. The project team built support among clinicians, and provided management support where it was most needed, and the results so far have been impressive. The number of patients waiting longer than six months has fallen from 57,000 to just over 15,000. Moreover, as I said, we are also on track to achieve our target that by the end of the year no one will wait longer than six months for an operation.

In seeking to sustain these gains and to tackle waiting times by treating people within 18 weeks of their GP referral, it is clear that resources alone will not work. Resources and reform have to go hand in hand. We need to search for innovative new ways to drive up standards. That is why we have talked about selective use of the independent sector, and that is why we are introducing greater patient choice, extending the number of foundation trusts and setting a national tariff for NHS services. These fundamental changes are part of a coherent package to revolutionise patient care, abolish the second best and reward good and popular services.

However, we need to build on that by considering what is being done in the NHS. Today we have heard about a good example of what an NHS hospital with NHS staff can achieve. I noticed the quotes from Mr. John Petri in the article in *The Sunday Times*. He said:

> "If you were running a factory, you wouldn't allow your most important and most expensive machine to stand idle. The same is true in a hospital."

I shall take the idea of dual operating back to the Department and we shall consider it further. I know that Mr. Petri is up for an award tomorrow and I wish him all the very best. Whether he gets that award or not, he should be congratulated on not only talking the talk but walking the walk by providing the services that people need.

Innovation such as the dual-surgery approach pioneered by Mr. Petri is to be welcomed, and we need to consider further how we can complete a framework for treating people with muscular-skeletal conditions so that they can be given the most appropriate treatment as soon as possible. We have also considered how we can prevent people with such problems having falls, which lead to hospital treatment. Furthermore, we have considered how to make sure that there are packages that prevent people, particularly the elderly, coming back to our hospitals after treatment because of another, preventable, fall. Some excellent work is going on between PCTs and hospitals to put together a care package for that.

I was interested by something my hon. Friend said earlier, when we were discussing this issue, about the number of cases referred to orthopaedic surgery that do not necessarily need surgery. That is another area that can be considered; other professionals can work with GPs to ascertain whether time is being wasted on referring people to surgeons when they do not need surgery. We can look at a number of areas to reduce the waiting times for hospital care, particularly orthopaedic care.

[Caroline Flint]

With unprecedented investment, the NHS has the money and staff to deliver the standard of care that all patients deserve. We have created a strong NHS and tried to reduce the influence from Whitehall. The combination of investment, support and reform can work. Average waiting times have come down by 40 per cent., but we can do more. We need to look to innovation and share best practice in professional exchange, so that the public know what they can expect and should demand from their local services. Only by doing that will we truly have a patient-led NHS that best serves patients' interests and, importantly, maintains its good reputation as an organisation that does not stand still, but can move with the times and be a health service fit for the 21st century.

Police Force Mergers (South-West)

5.8 pm

Mr. Laurence Robertson (Tewkesbury) (Con): I am pleased to have secured this debate, so that we can discuss the Government's proposals to merge police forces in the south-west. I am pleased to be joined by my hon. Friend the Member for Forest of Dean (Mr. Harper), who will be seeking to catch your eye later, Mr. Chope, and to contribute briefly to this debate. I encourage him to do so.

I am totally opposed to the merger proposals in principle. I say "in principle" because we do not yet know the details of the proposals. As I understand it, the Government have said that the ideal force size is at least 4,000 officers and have asked the chief constables and police authorities up and down the country to come forward with proposals based on that guideline.

Gloucestershire constabulary has some 1,300 officers and will, under the Government's criteria, be a prime contender for merger with two or three other forces—or possibly, as we are beginning to hear, with a force that covers the whole of the south-west. That latter proposal is the nightmare scenario, although it would fit neatly into the Government's regionalisation policy.

Even the proposal to merge Gloucestershire constabulary with two or three other forces is unacceptable. The constabulary may be relatively small, but by all measures it performs very well indeed, and surely performance, rather than dogma, is what matters. The constabulary has a good track record of dealing with extraordinary incidents. The shoe bomber was arrested in Gloucester. The largest legal aid fraud case was brought to a successful conclusion in the county, as was the infamous West case, one of the largest murder investigations in the country. All those cases were investigated without the benefit of special grant financial resources. Add to that the special protection that the constabulary has to provide to members of the royal family who live in Gloucestershire, and one gets the impression of a competent force that has improved much in recent years.

Even on the Government's own measures, the assessments are good. In the "Closing the Gap" report, the constabulary was awarded an "excellent" for strategic management and a "good" for investigating major and level 2 crimes—the areas critical to the concerns raised from a national perspective. Last month, the whole organisation was recommended for an Investors in People award, and was graded as being "good" on financial management in a recent assessment by Her Majesty's inspectorate of constabulary. That same body acknowledged that the force had successfully met the challenges of serious and organised crime and terrorism. That latter point is most important, because the Government say that one of the main reasons for proposing mergers is to enable forces to tackle the threat of terrorism more effectively, and to counter organised and serious crime. However, HMIC says that Gloucestershire constabulary already meets those criteria.

Let me be absolutely clear: the fight against terrorism should have as high a profile as possible. Nothing should be spared in our determination to protect our country and citizens from any form of attack. That is one of the

biggest challenges that we face, and nothing should be allowed to detract from that. However, as well as that—and not instead of it—it is important to recognise that most of my constituents are more concerned about the yobs on the corner of the street every evening who are drunk, on drugs, kicking in doors, pushing down fences, throwing stones, swearing, threatening and being generally abusive. My constituents are more concerned about those people than about al-Qaeda.

Of course, there are criticisms such as "We never see a policeman around here", "The police are obsessed with hounding motorists to the exclusion of everything else", and "They do not turn up when crimes are reported". I am well aware of those criticisms, but it must be pointed out that they are made about not just the Gloucestershire constabulary or the smaller forces, but about forces of all sizes. The police are too remote for my liking, but that is the fault of too many pointless Government targets, too much paperwork, too much political correctness and, yes, perhaps too heavy an emphasis on traffic crime, when that could be tackled differently.

The police are not just another arm of government; they are there to serve the public. The question is whether they could better serve the old lady whose purse has been snatched, or the shopkeeper whose window has been put in if we made control of the police more remote. I do not think that they could. The chief constable of Gloucestershire, Dr. Timothy Brain, has a detailed knowledge of the entire county. When I talk to him about villages or even hamlets in my constituency, he knows where I mean and what the issues are. Would that be true of a chief constable who controlled a force covering three or four counties or, for goodness' sake, the whole south-west? It just could not be the case.

At present, the police authority draws its members from the county, but it would become remote, unaccountable and unresponsive if members were drawn from three or four counties, or from the whole region. If the authority represented such a large area, how would the enlarged force be financed? People make strong enough objections now to paying for increases in the police precept. Those same people would find it highly objectionable to be asked to pay increasing police precepts—on top of the inexorable rise in council tax—when that money would be spent on police work in other areas.

The local aspect is important. In the run-up to the county council elections, the Conservatives in Gloucestershire said that, in office, it would fund an extra 63 police officers for the constabulary. That is a 5 per cent. increase in manpower for the force. The Conservatives took over administration in May, and are starting to fulfil that pledge. Those extra officers could be lost if the mergers go ahead, because the county council is pledged to provide them for Gloucestershire only.

In a joint statement, chief constable Dr. Timothy Brain and the chairman of the police authority, Brigadier Michael Browne, said:

> "It is our overwhelming conclusion that there is a compelling case for continuing to stand alone as an independent force, and we shall be advising the Home Office of this."

The chief constable goes on to say:

> "The merger process is costly and in assessments made the payback period will be at least eight years, which is a cost that will have to be borne by the tax payer. This is eight years of money that could and should be invested in the County police."

There is no equivocation there from the chief constable or the police authority of Gloucestershire. They believe that they have met the Government's requirements, have performed well and are still improving, and that to merge police forces would be to throw the baby out with the bathwater.

The Government say that forces must be large enough to be blind to existing county borders but even a regional police force would have its borders. I live in virtually the most northerly house in the county of Gloucestershire. I am a long way from Cornwall; in fact, I am as near to the Scottish border as to Land's End. However, if a crime were committed just a few hundred yards up the road from me, who would deal with it—the remote south-west police force or the much nearer West Midlands police force? The point that I am making is that taking away county boundaries will not help in that respect. A further point is that Gloucestershire has far more in common with Worcestershire and Herefordshire than with Cornwall and Devon, yet the force is more likely to be amalgamated with Cornwall and Devon, or at least Wiltshire and Avon, with which it has nothing in common. In other words, regions do not exist in any meaningful sense.

The people of the north-east voted to reject the proposal to create an elected regional assembly in that area of England, yet the Government are introducing regional government by stealth. Proposals to merge the ambulance service, the fire service and the police are already on the table, as is the move towards regional planning and road funding, for example. The electorate have never voted for such changes. The only place where they are desired is in the pro-European minds of the Prime Minister and his Government.

To summarise, the Government say that they want forces to be more capable of tackling national, international, serious and organised crime and terrorism. Gloucestershire constabulary, which has increased its number of detectives and other specialist investigators, has already showed itself to be capable of doing so. What the Government should be doing is concentrating on improving those forces that are not performing; in other words, take the rifle approach. The blunderbuss approach—setting yet another arbitrary and meaningless target, such as the requirement on forces to have a strength of 4,000 or more officers—will not achieve the Government's objectives. Nor will it satisfy a dissatisfied public who want Osama bin Laden arrested, but also want an end to the antisocial behaviour at the corner of their streets, which is blighting their lives. There is an old saying that all politics is local. It is not true; nor is it true that all policing is local. However, those are commonly held views.

Mr. David Drew (Stroud) (Lab/Co-op): The hon. Gentleman knows that I concur with what he is saying. I am sorry that I missed the first two minutes of his speech. I do not know whether he mentioned the new

[Mr. David Drew]

headquarters in Quedgeley, but in respect of the link between that and triservices, there would be a huge cost implication if there were two white elephants. Is it not time that the Government considered the implications of that, rather than just scrapping Quedgeley before evaluating the situation?

Mr. Robertson: I am grateful to the hon. Member, who is my neighbour in Gloucestershire, for making that point. The three emergency services moved two years ago into a tristar centre. As far as I can see—I have visited it—it is a centre of excellence. Gloucestershire constabulary has a new building coming as its headquarters, yet we are talking about moving it and throwing that all away. That is absolutely incredible, and he makes a good point.

To conclude my remarks, in reality, control of the police should be a mixture of local as well as national input, and there should be no place for mergers based on political dogma, arbitrary targets or artificially drawn boundaries. I ask the Government to think again.

5.20 pm

Mr. Mark Harper (Forest of Dean) (Con): I wish to make two brief points. My hon. Friend the Member for Tewkesbury (Mr. Robertson) drew attention to the successful way in which Gloucestershire constabulary deals with serious incidents. As long ago as 1995, it dealt successfully with the West case, one of the largest murder investigations in the country. In 2003, it led the successful policing operation in respect of RAF Fairford, which involved one of the largest deployments of police officers in the United Kingdom since the miners' strike. In the same year, Gloucestershire was the focus of international attention with the highly successful terrorist operation to arrest Sajid Baadat, the alleged shoe bomber, in Gloucester. It was not supported by specific Home Office grants, but funded purely from the constabulary's own resources. The constabulary is capable of dealing with both serious crime and terrorist incidents.

I represent a rural part of the county and I wish to draw attention to the impact that a merger, especially a large-scale merger, would have on policing in rural areas. The constabulary confirms in its outline business case that experience of such mergers has demonstrated that resources will inevitably be drawn from rural and suburban parts of forces to the largest settlements within the boundaries. There is already tension in Gloucestershire about such matters and a perception in its rural communities that a disproportionate amount of resources is devoted to Cheltenham and Gloucester.

I am concerned about mergers with large cities. For example, if we merged with Avon and Somerset, Bristol would be in the mix. In those circumstances, my worry and that of my constituents is that there would be an inexorable move of policing resources to the large cities, given the more serious crime in those areas and, as a result, my constituents and those in other rural parts of the county would be disadvantaged. That is why I have no hesitation in supporting the police authority and the chief constable in their contention that the best strategic option for Gloucestershire is to remain a stand-alone police force.

5.22 pm

Mr. Geoffrey Clifton-Brown (Cotswold) (Con): I apologise to you, Mr. Chope, to the Minister and to my hon. Friend the Member for Tewkesbury (Mr. Robertson) for being a little late for the start of the debate. The time change has slightly confused me.

I wish to pick up on the point made by my hon. Friend the Member for Forest of Dean (Mr. Harper). One of the great successes in policing in recent years is the result of the Crime and Disorder Act 1998 and, in particular, local policing initiatives. Even if they are not visible on the streets of our small market towns, the local police can get closer to their communities. They have been successful in Gloucestershire, for example, in providing mobile police information units to some of our more remote villages, which have been of great benefit and have provided much reassurance.

If the Government's plan is to merge police forces, a proposal that I strongly oppose, we shall have to make changes to the other agencies of the Court Service. Under the heading "Force Restructuring", a letter that I received from the chief constable dated 4 October 2005 states:

> "In response to your question of 30th September, I can confirm that there are significant implications for other Criminal Justice partners consequent upon any changes to force boundaries. The CPS, Probation Service, Combined Court Service and the Youth Offending Service are all likely to be directly affected."

It seems that, in general, people have not got to grips with some implications. The letter continues:

> "You will be aware that the Combined Court Service has only recently completed its own re-structuring process."

The Government are restructuring everything yet again. The chief constables goes on:

> "Currently all of the justice agencies are co-terminous with the Gloucestershire Constabulary and this has, undoubtedly, been a great strength in the improvements that have been achieved in the last two years with respect to joined-up justice within the County. Clearly, it would be a matter for individual agencies to comment upon the direct implications for them arising from any re-structuring."

The matter is serious, and I hope that the Minister will respond to it. Suffice it to say, Opposition Members represent a large chunk of Gloucestershire and it is the perception that the people of Gloucestershire do not want their county force, which they much respect, merged into a larger unit.

5.25 pm

The Parliamentary Under-Secretary of State for the Home Department (Paul Goggins): I congratulate the hon. Member for Tewkesbury (Mr. Robertson) on obtaining this important debate. I am glad that he has had the opportunity to raise his concerns, and that his hon. Friends the Members for Forest of Dean (Mr. Harper) and for Cotswold (Mr. Clifton-Brown) and my hon. Friend the Member for Stroud (Mr. Drew) have been able to raise their concerns. I am becoming more familiar with policing issues in the south-west, not least those affecting the constituency of the hon. Member for Taunton (Mr. Browne), who on a previous occasion obtained a similar debate, to which I responded. It is helpful to me to understand some of the local concerns.

I do not deny that there are concerns. Equally, I hope that the debate and other opportunities will enable me to explain why we believe that the reforms that we have

in mind will strengthen policing, not just at strategic level, but locally. That was the key point among several important ones that the hon. Member for Tewkesbury made. I understand why hon. Members are concerned, but, as I have said, our proposals, far from pulling resources away from neighbourhood policing, will reinforce it.

The clear message from Her Majesty's inspectorate of constabulary is that the demands that are now placed on our police forces by what are called level 2 threats—terrorism and organised crime—are growing. If we do not do anything about that, the growth in business, as it were, for the police, will increasingly draw resources away from neighbourhood policing.

Martin Horwood (Cheltenham) (LD): Will the Minister give way?

Paul Goggins: I may in a while, but my main duty is to respond to the hon. Member for Tewkesbury. If there is a little time available, I shall take the intervention. I am not sure whether the hon. Member for Cheltenham (Martin Horwood) made the Chair aware of his interest in the debate.

In its review, Her Majesty's inspectorate of constabulary found a relationship between the size of a force and its ability to cope with the demands that I have mentioned. Larger forces were more likely to be able to absorb them with less impact on their front line and on local policing. The move to larger strategic forces will protect neighbourhood policing, by ensuring that all forces have the necessary resilience and can tackle crime at all levels.

The hon. Member for Tewkesbury is right; we need police forces that can deal with the threats of terrorism and organised crime and also deal with the yobs who create difficulties for his constituents, and lend assistance to victims of crime such as the old lady to whom he referred. What is happening is a matter of correctly rebalancing strategy and strategic organisation at one end with neighbourhood policing at the other. The basic command units will not be diminished by the restructuring that we have in mind. On the contrary, they will be strengthened. Most importantly, they will remain the key platform for the provision of local policing services to communities.

I agree that the role of the local police officer—the bobby on the beat—is essential. We want those officers to be more visible, but the reforms will strengthen neighbourhood policing, not detract from it.

Martin Horwood: I am grateful to the Minister for giving way, and apologise to him, to you, Mr. Chope, and to the hon. Member for Tewkesbury (Mr. Robertson), whom I congratulate on obtaining the debate, for being late. I, too, was wrong-footed by the change in timing. I just want to ask the Minister whether he is quoting Her Majesty's inspectorate of constabulary only when it suits him. It reported on Gloucester constabulary in October 2004 and said:

"a number of successful cross-border operations targeting Level 2 drug offenders and money launderers have been conducted"

and that

"for a force of its size, Gloucestershire Constabulary has a comprehensive level 2 capability".

It may be right in a general sense that level 2 policing is not effective at county level, but that is not true of Gloucestershire.

Paul Goggins: I shall deal in a moment with the performance of Gloucestershire police. It is encouraging, but I would argue that it is not sustainable. With the ever-increasing demands made by level 2 criminality, we cannot expect our smaller police forces to continue that level of improvement, which is what we want of them. The question is how to ensure a sustainable structure that can deal with the level 2 threat as well as neighbourhood policing, which is important to us all.

I return to the question of force structure. The work now being undertaken by police forces and their authorities is not the result of some whim or diktat from the Home Office; it is the result of a detailed study by independent professional advisers on policing matters. It did not come out of the blue from Marsham street. It is a considered study by professional advisers. Indeed, my right hon. Friend the Home Secretary has made it clear that he has no blueprint for force amalgamations. The initiative for reform should be and is being driven locally, by people who know their communities and who know the challenges faced by the police in each area.

HMIC's report "Closing the Gap" is the product of an extensive examination of the capacity and ability of all 43 forces to provide key protective services to national standards. It found that the 43-force structure is no longer fit for the purpose, and that the police service cannot provide protective services to the standard that is essential given the twin demands of level 2 criminality and neighbourhood policing.

Mr. Jeremy Browne (Taunton) (LD): The Minister said that we have 43 forces in England and Wales. Will he give us an idea of how many forces might remain at the end the process? Will there be 25 or 30? Will he also take the opportunity to rule out a single force for the south-west? I would be interested to know how many amalgamations there are likely to be.

Paul Goggins: I am sorry to disappoint the hon. Gentleman—we have had exchanges on the subject before—but I cannot give him an optimum number because, as I said, the Home Secretary does not have one. We want to see it built from the ground up. Equally, I cannot confirm or deny whether there will be a regional force. [HON. MEMBERS: "Oh!"] I do not confirm or deny that we will have a regional force, because we want to see what is recommended and proposed by the police forces and authorities from the region represented by the hon. Gentlemen. We are listening to local opinion; we do not have a preset agenda about size or shape, nor about numbers.

With regard to the performance of the Gloucestershire police force, the hon. Member for Tewkesbury and others have commented on the improvements in dealing with local crime and neighbourhood disorder, and in terms of reducing volume crime. Gloucestershire deserves credit for achieving a 10 per cent. reduction in volume crime since last year and for its strong performance in sanction detections, achieved with a record number of police officers. The hon. Member for Forest of Dean said that

[Paul Goggins]

there are now 1,300 officers—I would settle for that; my notes say that there are 1,291 which is fairly close. That is 158 officers more than in 1997.

Mr. Harper: With impeccable timing, the Minister closed on the point that I wanted to follow up on—the reason for the increase in the number of police officers. The number funded by central Government since 1997 has fallen; the increase has come about because of an increase in the police precept. The increase in the number of officers has been completely paid for by local council tax payers. It is they who should be thanked, not the Government.

Paul Goggins: Time does not allow for a detailed analysis of who has paid for what, but I promise to write to the hon. Gentleman, giving him a clear breakdown of the increases in Government funding for the police force in his area—increases of which we are proud.

Mr. Clifton-Brown: The Minister has said more than once that he has no preconceived idea of what sort of police forces might emerge from the consultations. He also said that he would listen to local opinion. If local opinion and the view of the Gloucestershire police is overwhelmingly against a merger, is the status quo still an option?

Paul Goggins: The status quo is not an option for reasons that I am about to give. My earlier remarks need to be seen in the context of the overall recommendations. As the hon. Member for Tewkesbury said, HMIC was clear that the creation of strategic forces would require at least 4,000 officers or 6,000 staff to provide the necessary capacity to offer the "best business solution". It is a radical solution, but I put it to him and other hon. Members that simply fudging the issue, perhaps by asking for greater collaboration or some sort of federation without considering the need to create strategic forces, would mean that, in time, as level 2 threats increased and other, neighbourhood issues had to be dealt with, we would have to return to the issue again.

Mr. Jeremy Browne: Will the Minister give way?

Paul Goggins: I shall make a little more progress and then, if there is time, I will happily give way to the hon. Gentleman.

Gloucestershire police have about 1,300 officers and 2,029 staff in total. As I have emphasised, I am not prejudging the submission to be made by Gloucestershire police authority in December, but if Gloucestershire police want to remain as an independent force, they will need to make an extremely powerful case for that to be considered, because it would fall completely outside the criteria that have been advised to us by HMIC.

Mr. Browne: Seven of the 43 existing forces have 4,000 or more officers. I would be interested if the Minister could say how much flexibility there is on that figure. Will only forces of more than 4,000 officers be considered appropriate under the new regime, or will there be scope for forces below that size?

Paul Goggins: Again, HMIC has made a recommendation on what it regards as the minimum size for a strategic force. The hon. Gentleman is right to suggest that a small number of forces already fit that. An extremely powerful case would need to be made for a force to have numbers lower than the ones that I have indicated and to be considered sufficient to be a strategic force.

Mr. Harper: The Minister's latter comment seems to suggest, assuming that a sufficiently powerful case is made, that the status quo is an option, whereas he previously said that it was not. I am a little unsure; perhaps he can help me.

Paul Goggins: I refer the hon. Gentleman to the title of the debate, which is about the south-west. We are talking in a slightly wider context, although we are focusing on Gloucestershire. My right hon. Friend the Home Secretary has made it absolutely clear that, in respect of the number and size of our police forces, the status quo certainly cannot remain. I am also saying—I shall repeat it one final time—that we have not made a prejudgment about which forces we want or do not want. We want things to happen from the ground up. We are waiting to hear the preference of people in the south-west—the police authorities and the police forces—and that will be considered.

The hon. Member for Tewkesbury gave Gloucestershire constabulary credit for its performance in dealing with a number of high-profile investigations and public order incidents. I share his view that it should be congratulated and I heartily join him in doing so. I shall write shortly to all chief constables, including his chief constable, on the subject of asset recovery. Gloucestershire can take credit for being ahead of its target in terms of the number of asset confiscation orders issued. Again, that is because the force has made the issue a priority and it should be congratulated on doing so. I cannot, however, share the hon. Gentleman's view that that is sufficient to meet the requirements that HMIC has set out. More importantly, HMIC does not share his view. "Closing the Gap" found that all forces lacked capability to deal with the less publicly visible but hugely important challenges posed by serious and organised crime and terrorism.

We should also consider how effectively and efficiently we equip our police service to cope with extra burdens under the current structure. Gloucestershire constabulary received a special grant of £7.2 million for policing RAF Fairford during the Iraq war. The hon. Member for Forest of Dean raised that issue. I recognise that policing the base was a major burden on the force and I place it on the record that I believe that it did a very good and professional job. Although there will always be exceptional cases in which mutual aid between forces is required, even under the new structure with the larger strategic forces, a larger and more resilient force is still less likely to have to rely on help from other forces to manage such demands. That is one reason why we are considering restructuring. Police forces and authorities throughout England and Wales have now submitted their initial shortlist of options, and experts from HMIC, supported by specialist analysts and researchers, are working through the plans with forces.

Each proposal will be assessed on its merits, and the local discussion of the options will be informed by the design criteria set out in HMIC's report, including such matters as size, geography, coterminosity with partner agencies, criminal markets and local identity. The hon. Member for Cotswold is correct to say that there will be consequences for the criminal justice agencies if and when there are changes and the strategic forces are introduced. I assure him that the Government will consider that question very carefully, because we have placed great emphasis in recent years on developing, for example, local criminal justice boards so that local agencies can collaborate. As we move to new strategic forces, we will need to take account of other changes that will be required.

Although restructuring at force level will give us the larger strategic forces that we need to deal with the new threats and the increased pressures, I shall not deny the hon. Gentleman or any other hon. Members the neighbourhood policing that they require. The Government do not believe that the strategic forces will detract from resources or the focus on neighbourhood policing; rather, they will allow the resources to be allocated that are needed at that level. Resources will not be pulled away to deal with the new and more difficult threats that we face. We will be able to have the front-line policing that we all need.

Question put and agreed to.

Adjourned accordingly at eighteen minutes to Six o'clock.

Westminster Hall

Thursday 3 November 2005

[SIR NICHOLAS WINTERTON *in the Chair*]

House of Commons Commission (Annual Report)

[Relevant document: Twenty-seventh Annual Report from the House of Commons Commission, Session 2004–05 HC 65.]

Motion made, and Question proposed, That the sitting be now adjourned.—*[Mr. Watson.]*

2.30 pm

Sir Nicholas Winterton (in the Chair): The Leader of the House advises me that he must attend to some very important matters later this afternoon. Divisions aside, I hope that he might speak. If he does not, I know that he intends to delegate, which I am sure hon. Members will fully understand.

Nick Harvey (representing the House of Commons Commission): It gives me great pleasure to introduce the 27th annual report of the House of Commons Commission for the financial year 2004–05. I welcome the opportunity to debate it and the work of the Commission.

I pay tribute to my predecessor, Archy Kirkwood, who served on the Commission and was its spokesman from 1997 to 2005. I am delighted that he has been returned to Westminster and to his political work as a Member in the other place. I now have a clearer idea of how much work the role involved for him—answering oral and written questions, and dealing with various press inquiries, which I recently found myself doing on cleaners, smoking, MPs' expenses and so on. Archy Kirkwood's predecessor was my right hon. Friend the Member for Berwick-upon-Tweed (Mr. Beith). It seems to be the lot of the Liberal Democrat Member to serve in this capacity, and I am sure that we are pleased to do so.

Some things have changed since the report was published in the summer. We record our thanks to the former Leader of the House, now the Secretary of State for Northern Ireland, and to the former shadow Leader of the House, the hon. Member for North-East Hertfordshire (Mr. Heald). We also thank the hon. Member for South Staffordshire (Sir Patrick Cormack), who, after serving on the Commission for some time, was replaced this Tuesday by the right hon. Member for Penrith and The Border (David Maclean), to whom we are grateful for taking on the work.

Since the report was published, there has also been a significant change in the way in which the House operates. The creation of a single domestic Administration Committee brings together the work of five bodies and is chaired by the hon. Member for Aberdeen, North (Mr. Doran). It got off to a very energetic start, not least in its determination to communicate more effectively with Members. I am sure that many Members will have seen a good number of missives issued by the Administration Committee, seeking their views on various issues.

Members will have had the opportunity to read the report and learn something about the work of the Commission. A considerable part of my job is to listen to what Members have to say, and to respond orally at the end of the sitting and in writing to anyone who makes points that need to be investigated further. The Commission is due to meet again in 10 days, when it will be possible to report back to the Commission from today's debate.

The Braithwaite report created the structure within which the House and its Officers work. I remind right hon. and hon. Members of some of the history. In May 1990, the Commission invited a team led by Sir Robin Ibbs to review management and decision making for services in the House. Its report, issued in November 1990, sought a more active and strategic role for the Commission, and replacement of the single Services Committee by four or five committees, which was done but was then reversed by the Commission, as I said. It also sought an enhanced corporate role for the Board of Management and for the Clerk of the House as its Chairman, with improved financial management information, a new Department of Finance and Administration headed by a qualified director and a director of works, and gradual assumption by the House of responsibility for all House of Commons expenditure—principally, adding works and HMSO, but excluding the Members' estimate. It took some two or three years to implement the changes that were proposed in the report.

Eight years later, in October 1998, the Commission invited a team led by Mr. Michael Braithwaite to undertake a review of the system of management and decision making for services to the House. That was set up following the work of the Ibbs inquiry. The Braithwaite report was published in June 1999. Broadly, it endorsed, at some length, the Ibbs report and its implementation and called for better corporate information and for the adoption by the Commission of a strategic plan and more performance management. It proposed the creation of an Office of the Clerk—

2.36 pm

Sitting suspended for Divisions in the House.

3.4 pm

On resuming—

Nick Harvey: Just before the suspension, I described the 1990 Ibbs report and the 1999 Braithwaite report on the way in which the House was run. The last paragraph of the Braithwaite report said:

> "As a matter of good practice, a review similar to our own should take place in about five years' time".

That was taken to mean a further review of the Ibbs system, set up in 1990. Against that background, calls for "another Braithwaite" could mean a fairly limited review of the Ibbs report's implementation over the past five or six years, a revisiting of that report in full or a completely fresh look at the whole system of governance, presumably starting at the top with the statutory framework of the Commission.

That last option would be an ambitious and time-consuming exercise, and those who seek it will have to make a case for it. Is it necessary? If the problem is that

[Nick Harvey]

light bulbs are taking too long to be changed or that broadband in constituency offices is causing problems, do we really need to dig everything up by the roots? It behoves hon. Members to say what the problem is in realistic terms, and then we can seek an appropriate scale of review.

Personally, I think that, in the course of this Parliament, we should have the sort of review of whether things are going as envisaged in 1999 that might come up with radical prescriptions if they were plainly called for, but that could also chase down the extent to which the various measures called for in 1990 and 1999 have been taken. By mid-Parliament, the turbulence of the creation of the new Parliamentary Information and Communications Technology—PICT—Directorate should have subsided, and the other recent reorganisations of *Hansard* and the works and estates directorates will have had time to bed down. By 2007, about the same period will have elapsed from the time of Braithwaite as between Ibbs and Braithwaite.

I will, of course, take back to the Commission remarks made in this debate. In Westminster Hall, some aspects of the complex management of the House are only too obvious. I am thinking of progress on providing a new visitors reception centre just below this Chamber and an improved welcome for visitors in the Hall itself, followed in due course by a full-blown visitors centre somewhere appropriate. Also downstairs is the gunpowder plot exhibition, which will come to its climax—not too explosively, we hope—on Saturday. We hope that, in 2007, there will be an equally imaginative Parliament and slavery exhibition and possibly a marking somewhere of the Act of Union 1707. The volume of work that must be done to keep old fabric together is clear. Hon. Members can see scaffolding in the Hall as we redo gutters and the staircase.

At its July meeting, the Commission adopted a new five-year outline strategic plan to cover 2006–11, as envisaged in the report that we are debating. The text is on the internet. Let me tell those who have not read it that there are some small changes. The four core tasks and five underpinning support tasks from 2001 are replaced by three primary objectives and six supporting tasks, which are broadly similar in content. The eight developmental objectives against which the Commission reports progress on pages 62 to 69 of the report have been replaced for the coming five-year period by six anticipated priority areas, on which work is well advanced and developing with detailed strategies.

I should also draw to hon. Members' attention the 10 principal risks with which the House has to deal, which are set out on page 65. That is not to make people's flesh creep, but to reassure hon. Members that those matters are taken seriously and examined in a professional way.

In the equivalent debate to this last December, it was suggested that insufficient thought was being given to joint working with the House of Lords. I invite hon. Members to look at paragraphs 25 and 26 of the report, as there is already a great deal of joint activity. The estate is jointly serviced by a single estates directorate and a works directorate. A new unified ICT service, whose director, Joan Miller, has just begun work, will provide the IT function to both Houses from a single directorate. As reported in paragraph 49, the two *Hansards* are co-operating on an in-house pagination project.

There is room for more co-operation. The Administration Committee will no doubt examine the catering arrangements between the two Houses, which already have joint purchasing arrangements. However, we must be realistic. Our colleagues in another place will also have to agree to any new joint service, and the benefits may turn out in some cases to be slight, compared with the risks.

For the new bicameral PICT service to work at its best, we need primary legislation to give it a statutory basis and enable it to employ staff properly. The staff in question are currently on secondment from the Commons and the Lords and their terms and conditions differ. To sort out housekeeping issues we need to get that on a proper footing. I hope the Leader of the House may have some news about progress on finding time for such a small item of legislation.

The Modernisation Committee report, and now the Puttnam report, have been published in the past year. Some good progress can be identified, and that was discussed in a debate in the House in January. The web development project board referred to in paragraph 129 of the House of Commons Commission's report now gives a bicameral focus point for big and not so big enhancements to the website. The prospects for using Parliamentary Information Management Services, which are described in paragraphs 86 and 87, to help external users, will develop in due course. Thoughts are well advanced on the options for a much needed radical redesign of the website; a business case is also advancing.

The work of the Parliamentary Education Unit, another joint enterprise with the Lords, is reported at paragraphs 144 to 146. It is now expanding significantly, with the funding of a year-round programme of visits due to begin in January 2006, and with more staff, making more positive outreach around the UK possible.

Mark Lazarowicz (Edinburgh, North and Leith) (Lab/Co-op): The last point related to an issue that concerned me in last year's debate, and I was interested to hear that there will be positive outreach throughout the UK. Can the hon. Gentleman give more detail about what will happen?

Nick Harvey: I am not familiar with the programmes that the Parliamentary Education Unit has worked up, but I will certainly obtain more detail about it for the hon. Gentleman. What I want to emphasise is that with more resources at their disposal, the unit's staff have the potential and capacity to do a great deal more than they have been able to in the past. I hope the hon. Gentleman will welcome that.

The House's media effort, referred to at paragraph 122, is growing. The Select Committees have media officers, who are already creating a significant impact in obtaining more coverage of the work of the Committees. Lord Puttnam's report made several additional suggestions—in particular, for more pro-active briefing of the press on forthcoming and/or recently completed Commons business. It might be interesting to know

what hon. Members think of the prospect of House Officials briefing the press on what interesting business is coming up. I do not know whether we shall invite them to brief on what business will not be so interesting, but I wonder whether hon. Members will feel comfortable with the idea of Officers performing that role. Hon. Members should be aware that today the Lords have been debating the Puttnam report.

Hansard has for several weeks now been available on line when it is sent to the printers, which means it is available only a matter of hours behind real time, rather than the following day. Good progress is also being made with a new voters' guide, to send to new voters as they become eligible to vote. We hope that that will begin to be sent out in the course of 2006.

Estate management entails many different issues, which come to the Commission. Those have recently included smoking, and earlier in the year the Commission took a significant further step to make the estate more smoke-free, not least out of awareness of the secondary smoking threat to its employees, the staff who work here. That is referred to at paragraph 210. The Health Bill that has been presented does not directly apply to the estate, but of course we shall rethink what, if anything, we should do to remain broadly in line with what will be the new English statutory regime.

I cannot add anything to what I said in the House on 18 October about the dispute of the contract cleaners employed in the House by Mitie. It is a matter of concern to Members, but there is no more money available to put into the contract. We hope that a settlement can be reached soon and that both sides will be able to sit down and negotiate.

The question of the number of Members' staff on the estate still causes some concern, in particular because of the view held by some Members who used to have a limited allowance to provide office accommodation for staff in their constituencies that colleagues whose equivalent staff occupy space in the estate are getting some sort of a free ride. The more we can do to make life easier for staff in constituencies, including a swift postal service between the two sites, the better it is for us all.

I am often questioned about the environmental impact of the estate by my hon. Friend the Member for Lewes (Norman Baker), who recently produced a 75-page report entitled "How Green is Your Parliament?" The Commission has asked me to reply in writing to the report in due course, but I want to say now that I welcome the work that went into it and am grateful to the Parliamentary Estates Directorate, which laboured to answer 100 or so parliamentary questions on which, I think, my hon. Friend based some of his recommendations. The report contains some useful ideas, which can be taken further.

I am sorry that my hon. Friend's statement about rising energy costs paid no attention to the growing size of the estate. The energy usage per square metre is actually going down, despite the endlessly growing demand for, for example, electrical office equipment.

Mark Lazarowicz: Given that one of the hon. Gentleman's colleagues—the hon. Member for Lewes—wrote the report, I suspect that we may not have the abrasive questioning that the hon. Gentleman normally applies to Ministers. When Ministers give the answer, "There are some interesting suggestions about which we might be able to do something", that is normally code for, "We are not going to do much about these rather stupid ideas." Will he reassure us that the sensible proposals put forward by the hon. Member for Lewes will be taken seriously?

Nick Harvey: I can assure the hon. Gentleman that having no experience of such ministerial practices, I would not contemplate answering a question in those terms. There are some genuinely useful recommendations in my hon. Friend's report, which are being considered by the relevant Officers of the House. Some will take quite some time to act upon and others will have to be costed, for example. The benefits will have to be weighed against the costs. I mean it quite sincerely and not in the sense described by the hon. Gentleman as ministerial when I say that there are some useful suggestions.

The main building in the estate is obviously large and historical, with all sorts of heritage considerations that might prevent the solutions that would be expected in another office environment. The estate is occupied by not only MPs and peers, but several thousand staff and contractors. The comparison to Newhaven that my hon. Friend made in his report may not be that far off. He and I share the view that Parliament must demonstrate green credentials, and that the individual behaviour of Members and staff can contribute to that, as well as the steps taken by the House as a body corporate. I am also keen to progress with his idea of an annual report on environmental performance.

I end by paying tribute to the staff who work here. This is a professionally managed and staffed organisation that can readily stand in comparison with any public sector comparator. The survey of services carried out in 2003 showed a generally high level of satisfaction with services. Of course, there is always room for improvement and we are keen to be aware of Members' views.

3.19 pm

The Leader of the House of Commons (Mr. Geoffrey Hoon): I am grateful for the opportunity to contribute to an important debate on the work of the House of Commons Commission. This is the second such debate, and the first in which I have taken part. I hope that you, Sir Nicholas, and other colleagues will accept my apologies in advance for being unable to stay due to a further ministerial engagement. However, the Deputy Leader of the House of Commons will be in attendance for the remainder of the debate and will respond as necessary to the points made.

As hon. Members will be aware, I am a member of the Commission ex officio as Leader of the House. As such, I am able to represent the Government on the Commission, but I do not view it as my role purely to represent the Government. It is the responsibility of the Leader of the House to take into account the interests of all Members, and that applies very much to my work on the Commission. Therefore, I hope briefly to share my thoughts with Members and to make some observations about the contribution and role of the Government.

I begin by repeating the point made by the hon. Member for North Devon (Nick Harvey), who paid tribute to the work of House staff. We are well served in

[Mr. Geoffrey Hoon]

the House by the officials of the various Departments—the 1,700 people directly employed by the Commission, as well as others—who work professionally and effectively, sometimes in difficult and demanding circumstances.

I, too, pay tribute to the contribution made to the work of the Commission by the noble Lord Kirkwood, the hon. Gentleman's predecessor in his present role. I know that my predecessors as Leader of the House and other colleagues greatly valued the work that he did for the Commission over a number of years, and particularly his role in representing the work of the Commission to other colleagues and to the outside world.

Let me note some of the challenges addressed by the Commission in the period covered by the annual report, as well as the positive steps that have been taken. As Mr. Speaker noted in his introduction to the report:

"2004–05 was the first full year of the new sitting hours introduced in January 2003."

Obviously, the motivation for the changes—however controversial they might seem to some—stemmed from the needs of Members, and it is right that the decision was taken on that basis.

The decision, however, had significant consequences for the working patterns of House staff and the ways in which they prepared for the business of the House and Committees. There were also changes to catering patterns, visiting patterns and so on. Staff have worked hard to make the new arrangements work—we have, of course, made further adjustments to those arrangements—and I thank them for it.

The House administration is also facing further security challenges. This is obviously not the time or place to go into detail about those, but we are aware of the extra effort that has been put in in many quarters to looking after the interests of those who use these buildings. I note that the new post of parliamentary security co-ordinator, which was envisaged at the time of last year's debate on the Commission's work, is now in place.

The Commission has also devoted a great deal of thought to a subject that I regard as of the utmost importance—what we have come to term engagement with the public. If I may, I shall return to that issue towards the end of my remarks.

Other challenges during the period in question include the setting up within the House services of the necessary mechanisms to respond to the requirements of the Freedom of Information Act 2000, which came into force for the House at the beginning of the year.

I shall not repeat the helpful remarks made by the hon. Member for North Devon explaining the House's consultative machinery, but I at least owe Members some observations about the reference in the Braithwaite review to a further review

"in about 5 years' time".

Obviously, that would be about now, if we were to take that reference literally. However, for reasons set out in the debate in the House on 13 July, we have substantially overhauled the structure of domestic Committees, introducing a new single Administration Committee in place of the five previous Committees. It would be appropriate at this stage to allow those new arrangements to bed down before we commit ourselves to any further full review of those structures, although I note the hon. Gentleman's point that we should at least contemplate having such a review during this Parliament.

I shall repeat some of the points that the hon. Gentleman made about joint working, because a central theme of the changes in House administrative structures that have taken place over the years has been the move towards more co-ordination of the work previously carried out by separate Departments of the House. That has certainly helped to facilitate a more co-ordinated response to the developing and changing needs that Members have expressed.

There has also been something of a trend towards closer co-operation with the other House. As the Commission report notes, there are now many areas of joint working, including works services, communications services, the Parliamentary Archives, the Parliamentary Education Unit, the Parliamentary Office of Science and Technology and the Central Tours Office. Further opportunities might arise for such co-operation.

A more recent and potentially welcome development has been the decision of both Houses—led in this House by the Commission—to approve the principle of establishing a unified service for IT and communications between the two Houses. That followed a review by the former Serjeant at Arms, Sir Michael Cummins, and reflects the increasing reliance on shared systems and infrastructure. I am well aware, from parliamentary questions and other representations, of the continuing concerns that some colleagues have about aspects of IT services, such as remote broadband connection to the parliamentary network. Not all those issues are the responsibility of the Commission, but the planned reform of the IT management structure within the two Houses should help to improve the service that can be offered to colleagues.

The Commission's annual report notes that the new service is to be established initially using the present employment structures of the two Houses

"pending legislation to create a firmer basis for joint services in the future."

I must give the usual Government health warning on matters of legislation, and tell hon. Members that the Government can give no undertaking that a place can be found for a Bill to implement that in the near future. I realise that it will be difficult for the joint service to operate fully and effectively under present legal arrangements, and therefore see the case for a Bill. We will, of course, look for opportunities to introduce such a Bill, but I reiterate that I can give no guarantees.

I shall devote the rest of my remarks to the issue of engaging the public, which I regard as crucial, as do other members of the Commission. We all recognise that however we assess levels of participation in the political process—through general election turnout or the number of members of political parties—there will always be a limit to how far Parliament, let alone the Commission, can change things. Much wider forces are at play in society, but there are things that the Government can do. We are committed to the reform and modernisation

of the electoral process and the modernisation of government processes. There has been consultation and experimentation with e-democracy and the citizens and democracy strand of the Government's "Together We Can" programme for building community engagement.

There are things that Parliament can do, and I am delighted that the Commission has embraced the process, which it has done since before I became a member. In November last year, it issued a formal response to the May 2004 report of the Select Committee on Modernisation of the House of Commons, "Connecting Parliament with the Public", in which it noted the action taken by the Commission in the areas covered by a number of the recommendations.

There are a number of initiatives under way. The first is the work being done on the website. The May 2004 report, reflecting on a redesign of the site in 2002, noted that the website has made

"tremendous advances in recent years".

Since 2002, the world, and public expectations, have not stood still. Even in 2004, the Modernisation Committee noted that

"there is widespread dissatisfaction with the main website",

and that

"the website worked well for people who knew exactly what they were looking for, but not for the majority of people."

Since then, there has been another report that links in with that, namely that of the Hansard Society Commission on "Members Only? Parliament in the Public Eye", which was led by Lord Puttnam. Coincidentally, that report is being debated in the other place today, and may yet feature in the remarks of other contributors to the debate; I am certainly interested to hear what colleagues have to say about it. The report stated that the need to reform the website was a constant theme in the evidence that it had received, and it echoed the Modernisation Committee's call for radical reform of the site. I am delighted, therefore, that the Commission is seriously considering that issue and working on a radical redesign project on a bicameral basis, led by our new Librarian John Pullinger.

The Modernisation Committee report also recommended some expansion of the House's communications team; I note that there has been a limited expansion in that area. The need for close thought to be given to communications and work with the media was a central theme of the Puttnam report. Of course, there is scope for wide debate about the recommendations. It may be unduly simplistic to talk in terms of a single communications strategy for Parliament, as the report does, when we are by our very nature, and quite correctly, an amalgam of opposing interests. However, I—and, I am sure, other members of the Commission—will be interested to hear what colleagues here today have to say on that.

There is also a proposal for a new voters' guide to be sent, in the name of the House, to people who are newly eligible to vote to encourage them to register and participate. That initiative, which originated in the Modernisation Committee report, was specifically endorsed by the House in the January debate. Obviously, the guide will have to be carefully designed to ensure that it is relevant and attractive to the target audience. Work on that is in hand. Equally obviously, any such exercise can have only a marginal effect, but even a small increase in the participation of young people of only a few per cent. is worth striving for.

One area in which I am particularly interested is the expansion of the work of the education unit. The Commission initially agreed to fund one additional post to focus on outreach and working with local education authorities. It has, in fact, funded two posts. I am interested to see how that initiative turns out. I feel strongly that working in schools must form part of the solution to the problems we face in promoting a greater sense of engagement. That goes way beyond what the House of Commons can do as an institution, but I am delighted that the Commission is making what could be a very effective contribution.

With others, I pay tribute to the education unit's work throughout the year with schools and young people, including hosting visits from about 9,000 students. I appreciate the fact that many right hon. and hon. Members have given up their time and vacations to speak to those students. It is an important step.

I am under no illusions that colleagues will feel that everything is being done in the way they would like to address all their concerns. I am sure that other members of the Commission would say the same. But equally I hope that my remarks—and those of the hon. Member for North Devon—will reassure them that the Commission is aware of where there are concerns and where further work needs to be done. This debate, which I think we can now say has become an annual one, will help in this process. I look forward to seeing the later contributions from other colleagues.

Sir Nicholas Winterton (in the Chair): The Chamber will understand that the Leader of the House will have to leave for other important ministerial duties in a moment or two. I am sure we appreciate his situation.

3.31 pm

Chris Grayling (Epsom and Ewell) (Con): Thank you, Sir Nicholas. We entirely accept the Leader of the House's excuse. We may see him later or we may not, but we are grateful to him for his participation in this debate.

I wish to follow on from the comments made by the hon. Member for North Devon (Nick Harvey) and the Leader of the House. We all serve on the Commission together. Party politics are set aside and we are part of a team working together in the interests of the House. I therefore do not want to spend a lot of time repeating remarks that they have already made. They articulated very eloquently many of the key features of the report, many of which have been very positive about the work of the House and all those who have worked within it over the past 12 months. However, I am sure that you, Sir Nicholas, will allow me to echo their words of thanks to many of those who have been involved with the Commission, the House and the smooth workings of the environment in which we all work and seek to perform our democratic duties.

I should like to single out a small number of individuals. Lord Kirkwood served as a distinguished member of the Commission and was the predecessor of the hon. Member for North Devon. My hon. Friend the Member for South Staffordshire (Sir Patrick Cormack)

[Chris Grayling]

stood down from the Commission in the past week, to be replaced by my right hon. Friend the Member for Penrith and The Border (David Maclean). My hon. Friend the Member for South Staffordshire will be much missed on the Commission. He has been a distinguished servant of this House. I know that he is moving to a new role on a different Committee where I am sure he will perform with equal distinction. None the less, the Commission will be a poorer place without him. My predecessor, my hon. Friend the Member for North-East Hertfordshire (Mr. Heald), not only served on the Commission but also served in the role that I now fill as Chairman of the Administration Estimate Audit Committee. He continues to perform an excellent role within the House.

That is enough of the politicians. The most important part of this occasion for Members is to pay tribute to those who make it possible for us to work here. A huge number of people work in all different levels and functions. Well over 1,000 people make the House of Commons tick. Together with their counterparts in the House of Lords, they ensure the smooth running of the Palace of Westminster. They work enormously hard. They deliver smooth services to us at all hours of the day and night, because this remains, despite the changes of hours in recent years, a very unpredictable place.

We saw that back in March when we suddenly found ourselves seemingly sitting endlessly through night after night. It was a bit of déjà vu for those who arrived in this place before 2001. For those of us who arrived in 2001, it was a new experience. The point about that is that the staff simply slotted in and did their jobs, without demur and without complaint. That is the level of professionalism that we all experience day in, day out—whether it is in the Refreshment Department cafeterias, from the doormen who stand outside the Chamber, from the administrative staff who ensure that the services we need behind the scenes take place or the people who work in our postal service.

There is one group I should like to pick out: the security staff who work around the Commons, both those who are dedicated to the Palace and those who come to us from the Metropolitan police. Not only do they do an excellent job; this is a high-risk location. We are in constant danger from those who would seek to do damage to our democratic processes. Every day we walk past those people, standing there on guard. They are willing to put their own lives in danger to protect our democracy. Of all the people who work in the House, we owe them, in particular, a debt of gratitude.

There is another area to which I should like to pay brief tribute. It has been an area of the activity of the House that has made my job much easier, and it has changed the way that hon. Members do their jobs. I refer to the support provided to us by the Parliamentary Communications Directorate. The changes that it has brought about since I became a Member four years ago—networking; improvements to equipment; the arrival of the virtual private network—have made it possible for all of us to do our jobs more effectively and efficiently. That has allowed us to spend more time in our constituencies, but still deliver a high-quality service to our constituents away from the parliamentary infrastructure. The work that that team has done, and the strategic vision of the Commission in the last few years, have made a huge difference. There is much still to be done on that front, and there are many more projects in the pipeline, but that work is a significant part of making the House a more effective place.

I warmly welcome moves to integrate the work of the Commons in that respect with that of the House of Lords. That is an area where it makes no sense to have duplication. We wish to have the most up-to-date and efficient systems, but those should be available with consistent quality and with similar support to Members of both Houses of Parliament.

The hon. Member for North Devon referred to the Ibbs report and the Braithwaite report. He knows that there is much outside pressure for us to continue that process and to have a "son of Braithwaite" in the near future. The Commission must consider that in the next few weeks and months. If one examines those two reports and the more recent report from the Puttnam commission, one sees a genuine desire—as has been the case over a number of years—to make this place more effective and approachable. I pay particular tribute to Lord Puttnam and the work that he and his team did in producing that report. They have provided a number of ideas and thoughts about how we can tackle the issue of disengagement from the political process of people who often do not understand its relevance to them.

There is only a certain amount that we can do directly as a House, rather than as a Government, a political party or a political institution. We should, none the less, seek to do everything that we can to build awareness, understanding and interest in our work. Yesterday provided a good example of how we can do that. Thousands of people gathered for a trade justice lobby, looking for answers. Some of the ideas in the Puttnam report relate to providing better information about what goes on in Parliament. The website is a good example; we can and should ensure that that is the place to go to find out how political issues have been debated. People such as those who gathered yesterday, who have a burning passion on an issue that is of fundamental importance to the country and to our race, have questions and they want to know what is happening in Parliament. They came yesterday in their thousands, got soaked, and spoke to their MPs. Of course, each of us will go back to our constituents and update them on the work that we are doing, but it is our duty to ensure that they have easy access to information about what is going on in Parliament, what questions are being tabled, what debates are happening, and what responses are being given by Ministers so that they can see what is happening much more clearly. Sometimes, people suspect that there are no discussions or debates about those matters. Of course, there are, and the more that we can illustrate those and give people easy access to them, the better.

Dr. Alan Whitehead (Southampton, Test) (Lab): The hon. Gentleman is right that the meeting yesterday afternoon of the large number of people at the House and their Members of Parliament, facilitated somewhat by the rain, was an important illustration of how the House can make itself much more accessible and user-friendly to those who are petitioning or inquiring about what is happening in the House. Would he consider ensuring that the House of Commons website can be

properly linked to the websites of individual MPs, so that all information relating to the House is easily accessible via MPs' websites? Yesterday, when speaking to members of the public, I was struck by the extent to which they had looked at my website before coming to lobby me, as well as visiting the House of Commons website several times.

Chris Grayling: The hon. Gentleman makes a good point. There is an argument for providing access to the full range of political debate through our website. It is a reality of life today that the number of single-issue pressure groups is increasing, and political issues are debated outside the traditional confines of the democratic process. We need to find a way of ensuring that Parliament is seen as part of the process, and not detached from debates such as that on the environment.

There is much work to be done on the website. I agree about the desirability of improving links with MPs' websites. They tend to be rather buried at the moment, but then a number of things are buried. We need to devote a smart design mind and a smart strategic mind to a project to redevelop the website to make it more approachable. That is the direction in which we are going. I hope that that will contribute towards a final product that will help to make Parliament more visible.

The Puttnam commission's recommendation to ensure that we educate young people better about the workings of Parliament is extremely valuable. It contains some good ideas that merit further discussion by the Commission and by hon. Members generally. I echo the compliments paid to the education service, which is our front line in ensuring that we have high-quality information for young people.

Finally, may I say a few words in my capacity as Chairman of the two audit committees? It is a new role for me; I have chaired only two meetings. The hon. Member for North Devon has also chaired only a couple, so we are learning the ropes. I pay tribute to the two gentlemen who have shouldered the bulk of the work of the Administration Estimate Audit Committee and today have the bulk of the Committee's expertise: our two independent members, Sir Thomas Legg and Mr. David Taylor. They have certainly been wise guides to me in my new role. They have committed a lot of work to the committees over the years and they know their stuff—frighteningly so, sometimes. It will take the hon. Gentleman and me some time before we know as much about the workings of the place as they do. However, they are a good example of how the House can benefit from using the right external expertise in the right ways to ensure that we do things in the most effective way possible.

The committees also offer an example of the continued process of tightening the working relationships between the two Houses. In two weeks' time, we will have the first meeting between the audit committees of the House of Lords and the House of Commons. The initial object will be to share information, but I have no doubt that after that joint meeting we will have a clearer sense of ways in which we can streamline our processes, work more closely together, share expertise and generally improve the workings of the audit teams, who do a great job.

Their work load is scarily substantial—looking at the schedule at my first meeting I saw that there was a huge amount to get through. However, this is a large and complicated place, and doing a proper internal audit on it requires diverse skills and hard work, and necessitates the auditors going into places that I suspect many of us, as hon. Members, will never get to. I am sure that those who have been hon. Members for longer than I have know that there are always people somewhere in the Palace of Westminster doing a job that none of us ever gets to see.

The report is important. It shows hon. Members, those interested in the workings of the House and those who work in the House the real extent of what is done here. It shows that we are part of a complex organisation. It shows that the smooth working of our democracy is dependent upon a team of people who work long hours and who deliver a range of excellent services. We owe them a huge debt of gratitude. The Commission can learn much from what they do and what they advise. We must ensure that we always listen to them, because they have a distinct and important perspective on how we can improve the workings of Parliament. It is an excellent team. It makes the House of Commons work smoothly. That is why we remain the mother of Parliaments.

3.45 pm

Martin Linton (Battersea) (Lab): Walking through Portcullis House on my way here, I passed Guy Fawkes and James I busy in conversation over a cup of coffee at the "Despatch Box"—they were actors employed by the education service—and it struck me that I have seen some differences in my time as a Member.

In this debate, I wear three hats. I was a member of the previous Administration Committee; a former member of the Modernisation Committee, and very much involved in the report on connecting Parliament with the public; and a member of the Putnam commission, which was commissioned last year by the Hansard Society to report on the same subject.

I start by complimenting the House of Commons Commission and its officials on the way in which they have carried out the recommendations of the Modernisation Committee. We made a huge list of recommendations, and the officials put in hand the job of carrying them out with commendable promptness. Indeed, the annual report contains a list of those recommendations that have been carried out.

The report mentions the additional staff in the education unit, up from about four to nine and a half. It tells us of the extension of the autumn visits programme, which used to deal with 6,000 students a year; when the staff are in place, it will have a capacity of about 25,000. We will still have 47,000 young people coming through the House of Commons, so that will meet only half the demand, but it is a fantastic increase.

I am glad to hear that the new voters' guide is coming along; I look forward to seeing it, as I do the newsletter that is already in pilot production. The Media and Communications Service now has three press officers working for Select Committees, which is a total of six staff. That is a great advance, although we should bear in mind that the media and communications department of the Welsh Assembly has about 75 staff, so we are still some way short of our devolved Assemblies.

Improvements have been made to signage around the House. Everyone will know the term "Strangers" has gone from the House under Standing Orders. Several

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people have commented on the upgrading of the parliamentary website, which is well overdue; indeed, as soon as it is upgraded, we will probably ask for a further upgrade.

A particular hobby-horse of mine is the online publication of *Hansard* within four hours, and I am glad to hear that it is now happening. I argue that in due course it should be reduced from four hours to two; just as having one's photographs developed was once a 24-hour job, then it took eight hours and it now takes only one hour, so we can probably reduce publication time even more. It is important for outside organisations, and not only for the media. I used to work in the media, so I know how useful it would be to them to have a reliable, authentic version of what has been said in the House within in a time frame that will enable them to use it.

At the risk of sounding greedy, I shall mention some of the recommendations made by the Modernisation Committee that have not yet got on to the "to do" list; I hope that mentioning them today will help. One was a written guide for visitors, with staff on hand to welcome them. I hope that that will come along with the new reception facilities that are to be built during the coming summer. Improved queuing systems for the Public Gallery may come about, but we still have made no progress on an improved viewing gallery.

A "Parliament in action" tour is also proposed for visitors. At the moment, all visitors to Parliament, except young people on education unit visits, are offered an architectural heritage tour with no mention of what the building is for. Some time ago, the Hansard Society proposed that we should offer a tour that involves attending a Select Committee sitting, a Standing Committee sitting or a Westminster Hall debate, or going into the Public Gallery and getting a taste of what the building is actually for. Members would be surprised by how many of the guides conduct the entire tour, which is often fascinating in its historical detail, without even mentioning the fact that we are taking political decisions or that the building has a contemporary purpose.

We also recommended an end to the ban on non-MPs sitting in the Chamber. Almost every other Parliament allows non-MPs to sit in their Chambers. The UK Youth Parliament, for instance, could stage debates in the House of Commons in the summer recess. Some people thought that recommendation heretical, but I hope that it will be considered.

A website aimed explicitly at young voters was also proposed. I read in the report that qualitative research into that recommendation has now been commissioned, and I hope that that will enable progress to be made on the idea.

A dedicated teaching area for the Parliamentary Education Unit was also recommended. At the moment, the unit has to use rooms that happen to be available in Portcullis House, as nothing is designed specifically for the purpose.

There should be more about Parliament in the school citizenship syllabus. That might be an ambitious target. We now have an outreach worker in the education unit, but there are 2,500 secondary schools in this country. All teach citizenship, but we discovered from the evidence that we heard that most of them are not even aware of the existence of the Parliamentary Education Unit. They certainly have not thought actually of visiting the House of Commons as part of their citizenship syllabus.

Another proposal was that Committees should increase their use of online consultation. That is obviously for the Committees to decide, but it would be good if the House could facilitate that.

There should be an index to the daily part of *Hansard*, and laptop computers in the Press Gallery. Again, some people believe that to be a step too far, but it would greatly assist the press. I believe that the little gap in front of the Benches in the Chamber is perfect for laptops—not for individual laptops, but for laptops that showed, say, the Order Paper, so that Members could view questions and the agenda for the day without having to take endless sheets of paper with them and leaving them in the Chamber.

The report also proposed better use of the bookshop. The bookshop is one of our best assets. It is outside the Palace and accessible to the public, yet it is the least used of all the shops on the New Bridge road. For every 100 people who go into Boots or Cullens, only one person goes into the bookshop, yet it is the perfect place for people to buy tickets for tours of the House, for the press to collect press releases, and for all sorts of other purposes. I am not criticising the staff of the bookshop—I am sure that they do a good job—but the Vote Office has a prime property on the corner that almost no one ever visits. The report says:

"Business activity has continued at much the same level as last year."

I fear that that is the case.

Another recommendation is the integration of the Commons press, education and communications departments, to which the Hansard Society also referred. At the moment, we have the group of publications—something like that—which works across departments that deal with connecting with the public. The fact is that tours, education and the press are all different aspects of Parliament's connection with the public, and they would be much better served if they were merged into a single department.

Public petitions should be referred to Select Committees. The Scottish Parliament already does that, but no progress has been made on that here.

Standing Committee papers should be merged. I am sure that you will have an interest in this, Sir Nicholas, given your role in the Procedure Committee, but we argued that it is almost impossible for Members of Parliament who attend a Committee of the House to follow what is going on because they need to have open in front of them the amendment paper, the Chairman's selection of amendments, the explanatory notes and the Bill. That is four separate documents simply to follow what is going on.

We could reform the system of publications in the House so that it would be easy to speak to amendments to Bills. We could also have explanatory notes to amendments as well as to Bills. One of the reasons that members of Standing Committees find it almost impossible to contribute is that, although the Minister

has a good brief, hon. Members have no explanatory notes and do not know what effect the amendments would have. We should also have a guide for visitors to Standing Committees, who always look bemused whenever I see them; they go out after about 10 minutes, simply because they have no idea what is going on. Sadly, that applies to some hon. Members too. I throw those ideas in, knowing that they will at least be recorded, and people will be reminded of those recommendations.

I shall add a few more ideas from the Puttnam Commission, on which I served. I shall not mention them all—only some of the more prominent ones. There should be a relaxation of the rules on television coverage in the Chamber; few people look at BBC Parliament because it is dull to watch. There should be a relaxation of the rules on filming around the precincts of Parliament. The Administration Committee, of which I was a member, relaxed them in some ways but sadly, not far enough. People are not allowed to take still photographs, which means that many newspapers refuse to use grainy pictures taken from the television monitor and end up using nothing at all. There is a restriction on the number of passes for journalists. Many people complain about the number of journalists here, but the truth is that, because of the restrictions, everything that is said here is reported by the lobby journalists and rarely by the specialist journalists who know about the subject that we are talking about. That has a corrosive effect on the type of coverage that we get in Parliament. It is our own fault because we make it so difficult for them to get passes.

Induction for journalists would be a great step forward. The Modernisation Committee supported, more or less, a new communications department. The parliamentary website should be interactive. I know that in many ways, that would be a hostage to fortune, but sooner or later, we must grapple with the fact that Parliament is here to be interactive with the electorate, so our website should be interactive.

The remit of BBC Parliament should be broadened. At the moment, when there is a Division, nothing happens for that 15 minutes: people watch practically a blank screen. That is because the BBC feels that it is not allowed to interview anybody or explain anything because it has to report what is said and nothing else. However, if there were more flexibility, people might start to find the parliamentary channel quite interesting.

Most controversially, the Hansard Society Commission recommended that the House of Commons Commission be elected by secret ballot. I do not know what members of the Commission present think of that, but as we are all elected by secret ballot, I cannot think of what they would have to fear.

Lastly, it was recommended that the House of Commons be headed by a chief executive who is experienced in the management of complex organisations in the public realm. Hon. Members will be aware that we have a chief executive role: the Clerk of the House is the chief executive under the Braithwaite reforms, but what was envisaged was a dedicated post of chief executive, rather than someone who has that role in addition to the onerous duties of the Clerk of the House.

The hon. Member for North Devon (Nick Harvey) asked what kind of review of Braithwaite we should have and whether we should take a completely fresh look. All that I would say is that the Braithwaite review itself said that

"a review similar to our own should take place in about five years".

I do not think that that is much to ask; it would be a good idea. It does not need to be any longer than the previous review, but it should look at the ideas developed in Braithwaite I of a chief executive and corporate management, and take them further. I hope that it will recommend a more specialised chief executive who spends less time in the House and more time running an organisation that has a budget of £320 million and a staff of 1,500. Such an organisation deserves a full-time chief executive.

An objection I have often heard from the able and hard-working Officials of the House is, "Oh for goodness' sake, we are too busy with what we have to do to have another Braithwaite report. Can't we just get on with it?" My response is, "Well, if you find you're too busy to do the jobs you have to do at the moment, that is probably why we need another review of management." The Officials of the House should not feel so hard-pressed by their work load that they are unable to think in the long term. We should not be frightened of involving Members in the administration of the House, as the Hansard Society Commission recommended.

It is easy to make the annual report sound impressive. It has a list of achievements: 8,000 items of computer equipment have been supplied, and we are grateful for that; 9 million spam e-mails have been identified as unwanted, and we are also extremely grateful for that; the number of Members' staff has increased to 2,584, and we could not manage without them; and there were 29 million requests for information on the website, which is a 16 per cent. increase on the previous year. All that is impressive, but on reading the small print one discovers that there is always a danger in boasting of small achievements in a way that draws attention to how small they are. For example, the annual report points out that we are now

"sending memoranda of written evidence to the printers in electronic form."

One would hope so too. A sentence about the job of the Vote Office states:

"The passage of legislation back and forth between the two Houses before agreement is reached, particularly towards the end of a session, continues to be a time of intense activity for the printing services section of the Vote Office."

I am sure that it is very onerous, but only because someone has not thought of having a laptop in the House of Lords and a laptop in the House of Commons that are networked and can save all that trouble.

Martin Salter (Reading, West) (Lab): I apologise for missing some of my hon. Friend's speech. Is he telling the Chamber that we no longer print our deliberations and Acts of Parliament on goatskin?

Martin Linton: Great strides have been taken, but we must beware of making out that it is a great achievement simply to use electronic media, because everyone does so. We would not put in annual reports to our

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constituents that we use e-mails or that we download material in electronic form, because that is taken as a matter of course.

It is all very well to have the electronic capture of Bill amendments, but to admit that we still have not achieved the electronic capture of the Order Paper is a bit worrying. The report says that we have saved £1 million by making our paper more electronic, but we should be trying to achieve two basic targets. First, there should be no re-keying anywhere in the House of Commons. Once something has been committed to a computer once, it should not need to be committed again. That is the principle on which newspaper offices and most other offices work. It should not be difficult for Parliament to do so.

Secondly, we should try to achieve a paper-free Parliament further down the line. There is no need for Order Papers, amendment papers and so on to be churned out on huge quantities of paper every day when we could easily access them electronically. I do not say that it will not take some time to achieve that, but what is important is the information on the computer, not the piece of paper on which it is printed. We should be one of the first organisations to achieve paper-free status rather than the last, as I fear we might.

I apologise if I have taken more than my fair share of time. We should be aiming for a professional Parliament with corporate management and a dedicated position of chief executive.

Chris Grayling: In response to the hon. Gentleman's point, I put an important proposition to him. Parliament is not a corporate entity; it is an assembly of elected Members of Parliament. Those who work for the House do a hugely important job for us and for the country, but they are, none the less, the servants of Parliament. We, as Members of Parliament, are not servants of a corporate entity. It is important that that point is not missed.

Martin Linton: I accept entirely what the hon. Gentleman says. Parliament is not a corporate entity in the sense that it cannot have its own mission statement and its own unified aims. However, it already has corporate management. Braithwaite I recommended that, and it is what we officially do at present, in the sense that all the departments should work together through the House of Commons Commission with a single purpose. However, we do not yet have a corporate spirit among the management. Anyone who has served on one of the domestic Committees will know that if one suggests something, the Officers—who are a joy to work with—will often say, "Well, we will try to persuade the Library of that" or "Yes, I will try to persuade the director of finance", whereas if they were part of a corporate management they would persuade the chief executive and the chief executive would do it. That is not the way of the House of Commons, but we need it to be more like that.

This is an organisation with a huge budget—£320 million—and a huge staff. It has 1,500 of its own staff plus a further 2,500 working for MPs, most of whom are in this building. An organisation that size deserves to have a corporate management that is aware of what it is there for, and a communications department that can oversee all the connections between the House and the public in all their various guises.

We are in danger of being overtaken—indeed, we have already been overtaken—in many areas by our daughter Parliaments in Scotland and Wales. That is because they have had the discipline of knowing that they must justify their existence to the people of Scotland and Wales, and that they therefore have to reach out. They know that they have to do that, and they have outreach, education and press workers. One only has to look at the turnout in elections and the attitude of people to Parliament to see that we, too, should do that. We must focus our minds on justifying our existence, and to do that we must have a completely different attitude to the public.

All of us come here, not to decide how the House of Commons is run, but to play our—no doubt very small—part in deciding how the country is run. I do not want any more than anyone else to spend all my time here on the intricacies of House of Commons administration. However, the only way in which we can avoid having to spend so much time on that and on having to come up with all those small suggestions that sometimes get carried out is if we have a corporate management system and an executive system which we can be confident will do the work that needs to be done.

Sir Nicholas Winterton (in the Chair): Before I call the next speaker, I advise the Chamber that because of the Divisions so far we have a certain amount of overtime. We are due to end at 5.58 pm rather than at 5.30 pm. I hope that hon. Members will bear that in mind.

4.10 pm

Andrew Stunell (Hazel Grove) (LD): May I first apologise on behalf of the Liberal Democrat shadow Leader of the House, my hon. Friend the Member for Somerton and Frome (Mr. Heath), who has been speaking in the House but would otherwise have liked to have been present?

I welcome today's debate and the report, and thank the staff who work for us, year in year out, often at unsocial hours, and who on the whole provide us with a superb service. There are 1,700 employees of the House and, as has been mentioned, plenty of others who work here as contractors or who provide support services. This year it is right to single out the security staff, who have had to deal with some of the more extreme circumstances that we might face. Although the process is sometimes frustrating for Members of Parliament, it is a vital function, in which staff members' alertness and good sense is put to good use.

Perhaps the central issue for us is what the Commission should do next—or what we should do next with the Commission. The Braithwaite report in 1999 proposed some very important changes. It introduced the idea that we should have in the House one Officer who was in charge, for want of a better term. That led to the creation of a Board of Management and a political process, through the Finance and Services Committee, on which I have been privileged to serve since 2001, which could, so to speak, serve as a first filter for ideas and thoughts forwarded to the Commission.

There have been improvements since then. An organisational improvement of fundamental significance is the fact that there is now a parliamentary security commissioner, with responsibilities at both ends of the building. Although that was controversial, it was a necessary and important step forward. I wonder whether there may be scope for joint appointments of other board members in future. Politically, all the domestic Committees have been brought together in a new Administration Committee. That is also a worthwhile step forward, which will, I hope, lead to improved scrutiny, accountability and delivery.

All of that is all very well, but it is nothing like enough. I am in favour of Braithwaite II, if that is what we are to call it, and I shall probably say things that will be the equivalent of spitting in church. We have been a little self-laudatory in the debate so far. The hon. Member for Battersea (Martin Linton) stuck a few pins in, but I am not sure that we have appreciated the gap between the story told in the report and the reality. A couple of examples may show that all is not well with our management, control and political decision-taking in the Commission.

The first thing to which I want to draw attention is the new security screen in the House of Commons. I remind hon. Members that a decision was taken that a temporary screen was necessary. There was some dispute about it, but we had strong advice that a security screen was needed. A temporary screen was erected, to give time for proper consideration of a permanent screen and how to install it. A permanent screen was designed and displayed to hon. Members. There was a good deal of consultation and a vote in the House on the erection of the screen. As it happened, I voted against it, but there was a clear majority for installing it.

The astonishing thing was that when we returned after the recess we discovered that the screen that was installed was not the design that we had approved. No one seems to care. We now have a screen that is not where it was intended to be. We must be the only Parliament in western Europe that, when it takes action to improve public accessibility, produces an outcome that excludes them from seeing half the parliamentary Chamber. We have a £1.5 million blunder. We have put up a screen that we might as well have whitewashed, for all the use it is for seeing hon. Members in one half of the Chamber. The hon. Member for Battersea said that we have not yet implemented a viewing gallery. Too right! We have implemented a screen that is literally that—it screens the House from members of the public.

My second illustration relates to the catering operation and, in particular, to the Members' Dining Room. First, I very much welcome the setting up of the Administration Committee. Perhaps this new combined services Committee will mean that we can break away from the club culture that determines how we take decisions in the House. Those who served on the domestic Committees were, in effect, a trade union group of users, and it is right that we should put things on a more businesslike base.

Secondly, I welcome the cap on the catering subsidy, to which the report refers. I give credit to Sue Harrison and her team for delivering the savings that she was asked to achieve. I also note that the Administration Committee has decided to appoint an external adviser to deal with catering, which is another good step. The fact remains, however, that the catering subsidy for the parliamentary estate is running at £6 million a year. That is without adding the cost of power, light, and heating for the whole catering operation.

Martin Salter: The hon. Gentleman rightly highlights the scandalous fact that the subsidy is £6 million, but I have never read anywhere—in this report or even in the minutes of the Catering Committee—how much subsidy per meal that works out at. It was put to me that if we divided that £6 million subsidy by the number of meals that it paid for, we might find that it was cheaper for hon. Members to be taken by taxi to the Savoy Grill.

Andrew Stunell: I assure you, Sir Nicholas, that there has been no choreography between me and the hon. Gentleman, but I appreciate his question, because it brings me to my next point—individual subsidies per meal.

Mark Lazarowicz: A very small part of that subsidy might perhaps allow us to pay a living wage to our cleaners.

Andrew Stunell: One ingredient missing from the present structure is a way—other than who shouts loudest when the meeting is called—of allocating priorities for expenditure. There are some lamentable examples of that.

I believe that I am not allowed to say what the subsidy per meal is—[HON. MEMBERS: "Go on."] To give an indication, however, I will say that the cash paid per meal in the Members' Dining Room is about one fifth of the cost. That perhaps gives an illustration of the difficulties and gaps that exist.

The example that enraged me—I am happy to say that it has now been dealt with—was highlighted in a report brought to the Finance and Services Committee. The report was about the need to reduce the cost of a bottle of whisky in the House of Commons gift shop, because House of Lords whisky was cheaper and sales were falling. We were therefore about to have a whisky war between the House of Commons shop and House of Lords shop to keep the sales of House of Commons whisky up. Is there a more absurd example? Well, of course, there are lots more, but I have not got the time to entertain you with them, Sir Nicholas.

I welcome paragraph 253, which boasts of the value-for-money exercises and refers to the continued reduction in subsidy. On the right-hand side of a box included below that paragraph, we read that any decision will be subject to review. Perhaps I can leave the House of Commons Commission to think about that, too.

All that I have done is discuss two or three typical examples to illustrate the fact that we do not have a grip on the situation. How can we achieve accountability? How can we set standards for ourselves and not simply impose targets on other people? The Director of Finance, Mr. Andrew Walker, tries his very best, and I have great admiration for what he does, but he can only carry out the instructions that he is given by the Commission, the Finance and Services Committee and Members. If any other public sector organisation budgeted and managed as we do, we would have sent in commissioners to take over the service a long time ago.

[Andrew Stunell]

When we want improvements—this brings me back to the subject of Braithwaite II—we are constantly held back, inhibited and blocked by our structures. At the heart of it is the problem of the Commission. We have a large budget that is about the equivalent of that of a middle-sized local authority, and yet I do not think that any middle-sized local authority would expect to be run by a group of unelected aldermen chaired by the Pope. That is what we face. Criticism of the organisation is, basically, spitting in church. I am convinced that we need a full review in depth.

We need a Braithwaite II, now or at least inside the next two years. I was disappointed to hear the Leader of the House say that he did not think that that was needed for the time being. We should not let it wait. That would give us a time of study and the opportunity to implement the new structures well before the next general election so that the next Parliament can set out on a better step than we have.

I am looking forward to what my hon. Friend the Member for Lewes (Norman Baker) has to say about green issues. I support what the hon. Member for Battersea said about the outstanding recommendations of other reports. In introducing the report, my hon. Friend the Member for North Devon (Nick Harvey) brought up an important point about the balance between support for staff in the building and that for staff in our constituencies. We need more balance to put less pressure on the House authorities.

The report is too good to be true. It contains some throw-away comments that are sometimes wide of the mark. Paragraph 42 on page 15 states:

"The publication of a 12-month calendar of sitting days is now well established".

It is not. We have not got it and such statements devalue the report when it is put in front of Members. I have welcomed the opportunity to contribute to the debate, and I shall welcome even more progress made as a result of it.

4.23 pm

Dr. Alan Whitehead (Southampton, Test) (Lab): I am delighted that the debate has assumed the status of an annual debate. Indeed, in his introduction to the report, Mr. Speaker commented that this annual event would be enshrined in the cycle of events in the House. I was also impressed on the way in this afternoon by the superb exhibition that, as the hon. Member for North Devon (Nick Harvey) mentioned, has been mounted by the House authorities. It is alleged by those in my family who conduct genealogy that we are directly descended from Guy Fawkes. I do not know whether that is substantially true, but the frisson as I passed the exhibition perhaps says something about it.

The debate this afternoon, among many other things, reflects on the findings of the Braithwaite report. It was stated in that report that there should be a review at about the five-year point. I was pleased to hear the remarks made in that respect by the hon. Member for North Devon. The difficulty is that one would have to do quite a lot of the work of a review in order to make a case that there might be one. I agree that it would be proper to conduct a review in the next two years or so, if perhaps one of a less than fundamental nature, and I hope that that is the way in which matters will proceed. Indeed, regardless of whether one goes into the fundamentals of how the House is organised, I hope that several issues that have already been raised will form part of that process.

I also welcome the news that the new voter pack will be distributed shortly. The pack is important to the well-being of the House in its efforts to ensure that it remains legitimate and that a new generation is able to understand what it is doing when it participates in the process of voting. In addition to distributing packs to young people, it might be an idea to supply individual Members of Parliament with them. They could be given out at MPs' surgeries and at their other local activities.

The Table Office does an excellent job of fielding, making sense of and processing questions. Hon. Members have put on record their appreciation of the hard work of the staff of the House. The Table Office is of particular note. It does an excellent job of processing early-day motions, as well as processing questions, and so on. I see from page 18 of the report that the Table Office processed more than 100,000 names this year, along with 2,000 early-day motions. I shall share a few thoughts on the House authorities' administration of early-day motions and on the existence of early-day motions themselves.

Early-day motions are not a recent phenomenon; indeed,

"Notices of Motions for which no days have been fixed"

first appeared on the Order Paper in 1865. Early-day motions codified an earlier practice of putting motions on the Order Paper, some of which would gain a day for debate by the House and some of which would not. The practice in 1865 was not to have "no day fixed" permanently but to hold such motions in abeyance. Several of the early-day motions that were tabled on that basis gained a day for debate in the course of a Session. The term "early-day" was first appended at the head of such motions in the 1940s. The current practice of early-day motions stems from that time. There has been little practical change in the way in which they work, save some further definition about how the title should be arranged and who the sponsor should be.

There has however been a significant change, especially in the past seven or eight years, in the number of early-day motions tabled and the number of signatures attached to them. In order to process all that material, either in written or in electronic form, the Table Office's work load has increased. In the 1939–40 Session, 21 early-day motions were tabled. That rose to about 100 or so per Session in the 1950s, to 400 or 500 in the 1960s, and to 700 or 800 in the 1970s. Just over 1,000 early-day motions were tabled in the '80s and '90s. In the first years of the new century, early-day motions have really taken off—about 2,000 per Session are tabled. Moreover, as I have already mentioned, more people are signing each early-day motion.

As a slightly different way to look at it, the Commission helpfully provides a note in annexe 1 to the report of financial year 2004–05. Records show that from 2000–01 there is a 60 per cent. increase in the number of motions tabled each year up until 2004–05. Similarly, the number of signatories has increased each

year from just under 2,000 to more than 3,000. As I have said, that increases the Table Office Clerks' work load. The cost of filing, processing and publishing early-day motions in all forms also increases. No estimate is provided in this year's report of the cost of that entire process, but in 2001 it was estimated that it cost the House authorities £443,000. As the numbers of signatures and motions have increased substantially since then, I imagine that the cost has increased considerably too. It is a demand-led practice. Whatever the volume of early-day motions and signatures stands at, the House authorities are required to administer them, and they do so admirably, as the report outlines.

There are two ways of considering the phenomenon. It could be said that increasing numbers of early-day motions and signatures represent a flowering of an institution of the House. Alternatively, it could be suggested that it represents the industrialisation of the early-day motion process. The coming of age of IT, among other things, has elevated the early-day motion to the status of a must-have campaign tool for whoever is lobbying for whatever it is. A campaign will find a friendly MP to table an early-day motion and will then campaign among its supporters to get as many other MPs as possible to sign it. The early-day motion has changed significantly from being a tool that hon. Members would use to a tool that involves most hon. Members passively. A not untypical response to a postcard campaign by a pressure group is simply to say, "Yes, I've signed the early-day motion", and to take the opportunity to sign a page of the blue sheets, deposit it in the Table Office and add one's name.

We have all seen hon. Members in the Chamber periodically catching up on early-day motions by flicking through the Order Paper with the blue sheets at the back, and signing the motions. As the House authorities' guide to early-day motions cryptically says,

"Members themselves sometimes accidentally sign early-day motions which they have already signed. Any such duplication is filtered out by the Table Office computer system, and only the original signature is printed or counted towards the total number of signatures."

Judging from that comment, that is a more common occurrence than one might suspect.

It is not the only increasingly common practice. Rather like the story about how Trappist monks tell one another jokes, some hon. Members will even write periodically with a list of numbers and the line, "Please add my name to the motions" with the numbers adumbrated in the letter. Some hon. Members will sign perhaps 600 or 700 early-day motions in that fashion in each Session.

Mark Lazarowicz: I presume that my hon. Friend's stricture on early-day motions does not apply to early-day motion 391, in his name and mine, in support of an excellent private Member's Bill that is due for debate a week on Friday.

Dr. Whitehead: It is the same for wines laid down in any collection: some wines will be well laid down and some will not. The early-day motion that my hon. Friend mentions is the equivalent of an extremely fine wine ready for drinking.

The campaigns that I have described are increasingly widespread, especially with the facility of e-mail, whereby supporters can send a standard letter to an MP's e-mail box, the address of which has been supplied by the campaigning organisation requiring signing of the early-day motion in question. The MP's computer resources will then be mobilised to send a standard letter to the computer of the people who sent the request, to say that the early-day motion has been dealt with. Probably neither end of the process involves any human beings. In my postbag over the past few days I have received standard letters or postcards from nine organisations asking me to sign early-day motions. Each postcard has 20 or 30 different addresses attached. I have received e-mails from six other organisations involving similar numbers of people.

The parliamentary website states that the early-day motion is

"a kind of petition that MPs can sign."

That is not a bad description, although it has been rather overtaken by the scale of the industrialisation of the early-day motion. Generally, I do not sign early-day motions, with the exception of the one mentioned by my hon. Friend. However, it is much harder to reply to the postcards and e-mails that I receive—I try to do so on every occasion—by explaining why I do not generally sign early-day motions than it is simply to reply that I have signed them. I suspect that that fact alone lies behind much of the signature expansion that we observe.

The truth about early-day motions—which one has to explain when one replies to those who send postcards and e-mails—is that nothing whatever happens to them. That is often not made clear by organisations that try to persuade people to write to their MPs to ask them to sign them. It comes as a considerable surprise to those who write in when that information is relayed to them. We know that each year 2,000 early-day motions slip off the Order Paper and we await a new batch of 2,000 the following year and so on, for ever. I do not know whether that is a good thing. Early-day motions serve as a means of expression of a sentiment, and some serve as a warning light.

Martin Salter: My hon. Friend comes to the nub of the issue. Surely early-day motions have completely lost currency; they have been over-used. Rather than regarding them as political graffiti—a soft option for hon. Members—would it not be better to change the rules of the House to say that an hon. Member may not table an early-day motion unless it has 30, 40 or 50 signatures? If an early-day motion attracted the support of, say, half the House, it could be debated, either in this Chamber or on the Floor of the House. I refer my hon. Friend to my maiden speech on the subject, some eight years ago.

Dr. Whitehead: My hon. Friend makes a strong point, which, coincidentally, seems to appear later in my speech. Perhaps also coincidentally, I have picked up his maiden speech from the floor of the office that we happen to share, and unconsciously placed it in my speech.

Andrew Stunell: Is that an example of the industrial production of speeches as well as of early-day motions?

Dr. Whitehead: I do not think so; one individually crafted speech turning into two amounts to a small cottage industry rather than to industrialisation.

I mentioned that early-day motions do serve under some circumstances to warn the Government of the day that there is a policy elephant trap ahead. Other than that, they simply come and go, as the seasons wax and wane, in a predictable way.

We face the continuing expansion of a House function that costs more than £500,000 a year but does nothing other than perform the ephemeral function that I have described. That could be achieved in other ways—for example, an electronically self-managed petition billboard on which MPs would be free to place their names if they wished. Indeed, experiments in such activity by the Scottish Parliament are worthy of note. Alternatively, we could decide that early-day motions, as my hon. Friend the Member for Reading, West (Martin Salter) suggests, ought to mean something, or should have some consequence. We might say, for instance—I know that this is not a new suggestion—that an early-day motion with more than a certain number of signatures could find a slot for debate at an early date, and we might require all those who signed it to be there to listen to that debate [*Laughter.*] An interesting suggestion.

At present, both the House authorities and hon. Members have the worst of both worlds. We have a system that does not do anything, but needs to be maintained because members of the public perhaps believe that it does something. However, it is a system in which hon. Members can never report back that their signatures did achieve anything—not even something as modest as a debate in the House—because, as we know, the early day is always over the horizon.

4.39 pm

Norman Baker (Lewes) (LD): I am delighted to follow the hon. Member for Southampton, Test (Dr. Whitehead), and I share his views on early-day motions. I can say with some feeling that they require more trouble than they achieve benefit. The irony is that their impact has become minuscule just as the public have become aware of them, almost in inverse proportions. The only value of early-day motions is that the public believe that they are worth something and therefore that something is happening. Indeed, my early-day motion 598 on Tasmania and the Gunns 20 caused considerable ructions in Australia, mainly because people there believed that it was vital in itself rather than because of its content, which I hasten to add I entirely recommend if Members have not signed it.

Mark Lazarowicz: As an example of the automation of the early-day motion industry, I have received a number urging me to be present in the House on 11 November in order to support my Bill. It suggests that a button has been pushed without any research.

Norman Baker: Indeed. I am happy to assure the hon. Gentleman that I shall be in the House on that day.

I, too, thank the Table Office. I regularly visit it, taking my parliamentary questions there. I am told by one of the staff that they call the days on which I do not turn up Baker days, after Kenneth Baker, and have a day off. I wish that the Table Office were able to secure answers from the Government rather than just replies.

Chris Grayling: Knowing the hon. Gentleman's commitment to environmental issues and that he will be committed to reducing the use of paper, I am intrigued that he has not yet found the route to the electronic tabling of parliamentary questions.

Norman Baker: I prefer the personal touch with the Table Office. I am happy to discuss my carbon footprint with the hon. Gentleman at a later date.

I thank the Library staff, who do a fantastic job. I suggest that, if any Department of the House is understaffed, it is the House of Commons Library. I am grateful for its help, and for the good work done by the Parliamentary Office of Science and Technology.

I welcome the exhibition on the gunpowder plot. It is of particular importance to my constituency of Lewes, which celebrates bonfire night in style. I am happy to say that one member of the bonfire society from Lewes has visited the exhibition and sang bonfire prayers in Westminster Hall—with the consent of the Serjeant-at-Arms, I might add.

I endorse the comments of my hon. Friend the Member for Hazel Grove (Andrew Stunell) on the need for Braithwaite II, and what he said about the House sometimes being run in a less than efficient manner. I shall not repeat those comments, but they are entirely valid and I endorse them without reservation.

The hon. Member for Edinburgh, North and Leith (Mark Lazarowicz) suggested that I might give my hon. Friend the Member for North Devon (Nick Harvey) an easy time because he is not a Minister and is a member of my party. I shall be doing no such thing: I shall be pursuing these matters with vigour. I welcome my hon. Friend's comments on my environment report, and I intend to hold him to them. Before turning to the environment report, I want to make an observation about the money that is sometimes spent on the House of Commons and the parliamentary estate in general.

We do not always get good value for money from the work that is done here, irrespective of whether it is needed. For example, the covered walkway being constructed next to the Post Office turntable—several poles are now coming out from the walls—is to cost £422,000. If the figure is true, it is astonishing. It has not been rebutted by the House authorities, so I assume that it is right. If so, it is about £400,000 in excess of what it should cost. I recommend that the House authorities buy something from B & Q for about £2,000 and upgrade it slightly. It would probably perform the necessary function, if it needs to be performed—although why we need a covered walkway at that location is beyond me. There is an alternative route if Members are frightened of getting wet. I sometimes think that we are looking for excuses to spend money; it is disgraceful.

I refer my hon. Friend the Member for North Devon to an answer given in the previous Parliament about the cost of refurbishing the lifts in Norman Shaw North, which I use to go to my office—not the cost of maintaining them to ensure that they work, which is perfectly fair, but of the oak panelling inside them. An

extraordinary amount of money is spent in a way that would not be spent if it were our own money or if we were personally accountable for it. Nor would the public spend money on such things. We have to be careful that we do not regard spending as having a blank cheque. More needs to be done about that.

I want to spend the rest of my contribution to the debate on the environmental performance of the House of Commons. I would have preferred to have focused on the performance of both the House of Commons and the House of Lords, but each House is still dealt with separately. Although some progress has been made to bring matters concerning the two Houses together, it has not happened in respect of environmental matters. It would be nice—if perhaps revolutionary—if we could ask a parliamentary question about the environmental impact of both Houses and for it to be answered in the House of Commons. That might be one step too far for some people, but it would be useful. It seems absurd that we at this end have to ask about waste collection in the Commons and they at the other end have to ask about waste collection in the Lords. However, that is how things are at present. There is a need for more co-ordination with the House of Lords.

I hope that environmental performance will be of interest to hon. Members who are present. In fact, three hon. Members here have an extremely good track record on the environment: two of the Labour Members present and my hon. Friend the Member for Hazel Grove. I hope that the House of Commons Commission will take the issue seriously. Its report runs to 88 pages and has but half a page on the environment, at page 59. Even that half a page exudes complacency about the House's performance. For a start, it refers only to two issues: energy and waste. They are important and I shall return to them, but they are by no means the only issues that are linked to the environmental performance of the House.

Even the paragraphs on the environment are misleading in their complacency. For example, under the heading "Waste recycling", paragraph 234 states:

"In 2004/05 the proportion of waste recycled increased by two per cent to 29 per cent,"—

an admirable increase, we might think. However, if we examine the figures on page 74, we see that in the year previous to that the figure was 39 per cent. Therefore, a fair way to describe what has happened is to say that the amount of recycled waste has decreased by 10 per cent. over the past two years. A spin has been put on the figure to suggest that things are improving when, by and large, they are not.

If we are to make progress, we must recognise first that there is a problem and not be in denial about such matters. We have a significant carbon footprint in the House. As my hon. Friend the Member for North Devon said, given the number of people who work here, we are equivalent to a small town. We must send out a message to the public that we are taking the environment seriously; that we are putting our own house—this House and our own house—in order and showing how others can respond similarly. The general public take it ill when they hear us in the House telling them that they should save energy, save water and use sustainable transport, if we do not seem to be doing so ourselves. We have an important example to set to others, and we are not setting it at present.

It was absolutely fair of my hon. Friend the Member for North Devon to say that I should be considering energy use per square metre. It is also fair to say that my report, of which he now has a copy, states that only in the last year has energy consumption per square metre declined below the 1997 level. Until 2004, it was well above that level and there has been a fall-back this year, which I very much welcome. However, no real progress has been made over the period. I am afraid to say that examples of energy waste abound, so rather than the Commission saying complacently, "We have a decrease this year, so let us settle for that", it should be considering what it should be doing to save energy elsewhere.

The number of rooms, toilets, kitchens and corridors in which lights are left on all day and night is enormous. If hon. Members do not believe me, I suggest that they take a photograph of Portcullis House at two o'clock in the morning. I have not done so, but I have taken a photograph at 11 o'clock at night and the place is lit up like Crystal Palace. Televisions on stand-by amount to significant carbon usage. Televisions are on all over the place even when the House is not sitting. They switch on automatically in the morning, whether or not someone is in the office, and they stay on after people have left the offices.

4.50 pm

Sitting suspended for a Division in the House.

5 pm

On resuming—

Norman Baker: I was referring to the stand-by television problem, which does not apply in Portcullis House but does in Norman Shaw and other buildings. I was reflecting on the wasted energy it generates. If one asks colleagues in the House why televisions are left on, one reason given is that they serve as a clock. It is terribly wasteful to have a television on serving as a clock. It would be more effective to have a clock in each room and switch the television off. That is not suggested in the report, but perhaps my hon. Friend the Member for North Devon will consider it.

Dr. Whitehead: Can the hon. Gentleman help me with a puzzle that has affected me on a number of occasions? If one leaves one's office and turns all the lights off at night, when one returns in the morning, all the lights are on again, owing to some mysterious device.

Norman Baker: Exactly. Energy efficiency works in reverse in the House: the policy appears to be to waste it rather than save it. For example, the lifts in Norman Shaw insist on returning to the ground, irrespective of whether anyone is in them. Why it is thought to be useful for them to move when nobody is in them is somewhat beyond me. When I queried it with the Serjeant at Arms, I was told that they had to return to the ground for fire reasons. I am not sure that I understand that; other lifts in the Palace do not return to the ground, so I am not

[Norman Baker]

clear why those in Norman Shaw should have special treatment. It seems sometimes that reasons are brought forth to push away an inquiry rather than address it properly.

Returning to the point about energy per sq m, the figure was 328 kilowatts per sq m in 1997–98 and by 2003–04 it had gone up to 357, an increase of about 10 per cent. It is true that last year it dropped to just below 328, but that means that there have been no energy efficient savings of any sort over the entire time I have been in Parliament. That is pretty indefensible.

It is also the case that the energy saving budget, according to figures from the House of Commons Commission, has been cut by 40 per cent. since 1997 from £50,000 in 1997–98 to £30,000 in 2004–05. What possible explanation or justification can there be for spending £422,000 on a walkway that nobody wants, and spending less than in 1997—only £30,000—on the energy saving budget? Furthermore, that budget has to compete with other measures such as water conservation, so it is not even entirely an energy saving budget.

There is clear evidence of waste all around. Another example are motion-sensitive escalators. When they were introduced, I said, "Hooray!" for the one in Portcullis House, which was motion-sensitive, so did not run when nobody was using it. I thought that that was an innovation that we could bring in elsewhere. What happened? The motion sensitivity has been turned off so that the escalator runs all the time, whether or not someone is on it. When I asked why, I was told that a Member or a member of staff had caught her high heel in it and it was thought unsafe, and hon. Members could not cope with the idea of a motion-activated escalator. We can do better than that. An escalator should not be running when it is not required if there is a facility to allow it not to.

On water, the figure is the same. I appreciate that there has been an increase in the number of people in the House—that is a relevant factor—but the amount of water used on the parliamentary estate has increased by more than 50 per cent. since 1997. There is no separate budget for water conservation measures, which compete with energy saving investments for the annual conservation budget. As far as I can tell, there is no real commitment to do anything about that in future. I hope that that will change as a consequence of this debate and other representations from other hon. Members.

There is also the question of waste generation and disposal. We have at last, unlike when I started in this place, two bins in our offices—both the same colour, incidentally, just to make things complicated. One has a label saying "For recycling", and one does not. Many of us naively thought that that meant material put into the bin marked "Recycling" was actually recycled. However, evidence that I have accrued and which has not been denied—I brought it to the attention of the predecessor of my hon. Friend the Member for North Devon, who accepted that it was happening—is that, in a curious arrangement, the office waste is separated and, at least some of the time, the cleaners take it outside and put it all in the same bag, in which it is taken for incineration. That might make us feel better, but it does not help recycling.

David Taylor (North-West Leicestershire) (Lab/Co-op): Perhaps the hon. Gentleman does not give the Government sufficient credit for their attempts at recycling. They have after all made two attempts to recycle Secretaries of State. Is not that laudable?

Norman Baker: I was not really talking about the Government, but I am all in favour of recycling in some circumstances. I assume that someone who is twice removed from the Cabinet will be recycled as a European Commissioner. That seems to be the rule.

Sir Nicholas Winterton (in the Chair): Order. Hon. Members may be getting diverted from debate on the report. I am not sure that Ministers come under the House of Commons Commission.

Norman Baker: No, Sir Nicholas. I shall not go further down that route, although I am tempted.

Even the existing system for dealing with waste does not work and is not adhered to, which is a scandal. There is a dearth of recycling points around the place. There is no co-ordination between the Lords and Commons. Where, for example, can someone recycle material in Portcullis House? It is a brand-new building, and is supposed to be state of the art. Where are the recycling points there? I cannot find them.

I have dutifully collected laser printer cartridges and tried to recycle them. There is, apparently, a facility that one can ring up to have the cartridges collected. My office rang every month for six months to get the laser printer cartridges collected, without success. Finally we found an external contractor to take them away and deal with them properly. The performance on the environment is pitiful and we need to get a grip on it. I hope that we shall.

There are other problems. There is no plastic recycling to speak of in the House. No attempts are being made, as far as I can tell, at waste minimisation, which is, after all, at the top of the waste hierarchy. We heard, properly, from the hon. Member for Southampton, Test about the number of Order Papers or early-day motion booklets that are produced. He is right. People pick them up to see what question 4 is; they go into the Chamber and see it. That is their use for the Order Paper. There must be a better way of going about it. The hon. Member for Battersea (Martin Linton), when he was here, referred to the possibility of information being available in the Chamber. We should think about that, as the present use of Order Papers is wasteful.

Transport is not irrelevant to what we do in the House. I shall perhaps part company with some of my colleagues here. I think it is wrong that Members of Parliament should have free car parking. The Government rightly advocate workplace charging, and we encourage local authorities to go along that road. However, there is a deathly silence about the possibility of workplace charging in this place. Yet in the Abingdon street public car park across the road one will pay about £20 to park for half a day. We should have workplace charging and encourage MPs and staff to come to work

by public transport, which serves Westminster very well, both by tube and bus. There are plenty of alternatives. There is no reason for people to come to Westminster by car, as, sadly, they still do in large numbers. We need to tackle that.

We need to deal with the lack of a travel plan for the House of Commons. When I raised that, I was told that hon. Members make their own arrangements. They may do, and I hope that they can be encouraged to make more sustainable arrangements, but what about all the people who work here, who, after all, outnumber hon. Members? We should be making it easier for them to come by public transport as well.

It is not good enough to push the problem on to someone else and say, "It's not our business, guv; someone else can deal with it." I have been encouraged to see the number of people coming to the House by bicycle these days. The bicycle racks seem to be chock-a-block. In fact, we seem to need more. I do not know when they will be coming. Some investment in them, instead of spending of £422,000 on a walkway, might be a good idea.

David Taylor: Is the hon. Gentleman as disappointed and discouraged as I am to find that many of our colleagues in central and west Scotland, and even the north-west of England, fly down here rather than using public transport? There must be something adrift about that.

Sir Nicholas Winterton (in the Chair): Order. That is not a matter for the Commission. I trust that the hon. Member for Lewes (Norman Baker) will not respond to that point.

Norman Baker: Thank you, Sir Nicholas. I shall confine my remarks to how people arrive at the House of Commons. I think that that was the point that the hon. Member for North-West Leicestershire (David Taylor) was making. It is true to say that hon. Members should examine the carbon footprint of the means of travel that they choose.

I shall not go on too long, because others want to speak, and I have made my point, but I shall make one last point about procurement—we have a role in that—and water. Over the years, there has been a tendency to use bottled water more and more. Indeed, we are all benefiting from that here in the Chamber this afternoon. It is 461 times more expensive to use bottled water than tap water, which costs about 1p per 10 litres, compared to £25 for the same amount of bottled water. There is nothing wrong with tap water—even from Thames Water. Indeed, my analysis suggests that there are higher legislative standards for the quality of tap water than for bottled, so why do we continually traipse huge numbers of bottles at cost to the environment—through transport—so that Members can have bottles of water in front of them when tap water would be perfectly adequate? We should examine all aspects of our behaviour, but we have not done so.

I welcome my hon. Friend the Member for North Devon to his post. I was asked whether I would treat him as a Minister, and I may say I regard him absolutely as a Minister; he is very ministerial in his approach. I shall accord him that accolade, and treat him as such when asking my questions. I hope that the Commission will reflect on the debate, especially on the important points made by the hon. Member for Battersea about the Braithwaite review; the well made comments of my hon. Friend the Member for Hazel Grove (Andrew Stunell), and on the environmental angle. There needs to be a gear change and a change of behaviour from the Commission on the way in which this place is run.

5.13 pm

Mark Lazarowicz (Edinburgh, North and Leith) (Lab/Co-op): I am delighted that the hon. Member for Lewes (Norman Baker) did not give his party colleague a soft time in his comments, but I must say that it was a pretty bad advert for six years of Liberal Democrat rule. The Lib Dems have had an iron grip on the Commission for the past few years, but, hopefully, things will change.

I am glad that the debate seems to have become an annual debate, but I hope that it does not become a traditional one, in which the same speakers put forward the same points each year and not much happens in between.

Today, I shall concentrate on some areas in which we have not made as much progress as we should have since the last report. I shall inevitably not deal with the areas in which progress has been made, but I recognise that there has been progress. Obviously, the current security pressures mean that there are many pressures on staff and Members. In picking up on failings, I do not wish to minimise what has been achieved.

I am mainly interested in the issue of engaging with the public, and the "Connecting Parliament with the Public" report. My hon. Friend the Member for Battersea (Martin Linton) made an excellent and eloquent speech, making a lot of good points, many of which I endorse; indeed, I would make them myself. Some people would probably consider them to be as revolutionary in their way as Guy Fawkes's attempt to change this place, and would probably want my hon. Friend to receive the same penalty, too. However, I want to put on record my support for practically everything he said.

I want to concentrate on issues of particular relevance to those of us who represent constituencies further afield than London and the south-east. That is why I am particularly interested in outreach and how we put into practice the commitment that has been made to develop our outreach work in the education unit and in other ways.

Outreach work is not only an issue for those of us who represent constituencies that are further afield. If we were successful, we would have problems in finding room for the number of people—children or young people, for instance—who want to come to see how Parliament works. Therefore, outreach is in many ways as relevant for schools and communities just down the road from Westminster as it is for those of us whose schools and constituencies are further away, although there are clearly different issues for those of us from further afield.

The Modernisation Committee, whose work is considered by the House of Commons Commission, produced a report almost two years ago that suggested a number of steps be taken to develop the House's outreach

[Mark Lazarowicz]

work. One recommendation was for the appointment of staff in the education unit, and I welcome that, but there were others. For example, it was suggested that we might want to set up a parliamentary roadshow that could go around the country and give an opportunity for a bit of Parliament to be seen in parts of the country where the public, including children and young people, cannot easily visit Westminster.

However, in the Committee's report, the suggestion that there should be a parliamentary roadshow was qualified with the following comment:

> "We recommend that before any further consideration is given to establishing an educational roadshow, the House should examine the scope for a Parliamentary partnering scheme with, for example, local authorities."

That is a good idea in itself, and Members may be aware that the Scottish Parliament, the National Assembly for Wales, and, to an extent, even the European Commission, have partner libraries and outlets where the public can find information about the work of such institutions. However, it is my understanding that we have not even begun to think of how we might do something like that. If we have not even begun to develop a partnering scheme, we appear to be even further from developing a parliamentary roadshow, which was only to happen if we tried a partnering scheme first.

I am disappointed that we have not gone further down that road. There are, of course, resource implications, but leaving aside the fact that it is important to spend money on ensuring that we connect with the public, it is possible to do some of this type of work in a cheap and cost-effective way, and then to build on that in the future.

For example, the Scottish Parliament and the Welsh Assembly have their own information centres that provide information about not only their buildings, which are quite expensive in the case of the Scottish Parliament, but about the political process. At present, precious little in those institutions relates those bodies to the UK parliamentary process, just as precious little here relays what we do in the devolved process. A possibility surely exists for us to have an arrangement whereby those centres and similar facilities provide some information about the House of Commons and the House of Lords, and we provide similar information about their institutions. I do not know whether they would welcome such an approach, but we could think about that.

The question of what we do with the outreach staff we appoint is also important. There would clearly not be much point in members of staff trying to visit every single school in the country, but I hope that we will ensure we are as active in reaching schools and other educational and community organisations that are a long way from Westminster as we are in reaching those that are nearer. That is why I will be interested to read what the hon. Member for North Devon (Nick Harvey) writes to me about what we are doing in that respect.

We could do much better in other areas of contact with the public. I had some difficulty last year in getting materials and information from the education unit in some of the main ethnic minority languages. That has improved recently, but the Scottish Parliament and the National Assembly of Wales have a range of information in various ethnic minority languages, and we do not seem to have that here, and certainly not in as easily accessible form as in those other institutions.

Outreach workers are important to get to those parts of the country where it is not easy for people to visit Parliament. It is quite easy to get to London from many parts of the United Kingdom, and not particularly expensive, but we should try to facilitate visits to the House of Commons. Despite the advantages of virtual contact with the House of Commons, people can find out some things only by experiencing this place and making the most of a visit. We should try to make it more possible for school groups and other community groups to visit.

The National Assembly of Wales has a travel subsidy scheme, which pays a small amount to subsidise travel for people visiting the Assembly from north or central Wales. Perhaps we should have such a scheme here. If we are not willing to expend our own resources, perhaps we could find a travel company prepared to sponsor a scheme to encourage direct, physical access to the House of Commons by groups of people who may not otherwise be able to come.

It is important to ensure that we stay connected to the public and that we engage them in our work. Hon. Members do that in various ways, but it should not be down just to the initiative of individual Members: it should be integral to the work of the House of Commons.

There is a difference in the information and education work relating to the 20 per cent. of the United Kingdom that has some form of devolution. The material provided for education outlets in those areas should reflect the fact that they have a devolved system. I think that some mention of that is made in the material produced by educational and information sources in the House, but there is not much that tries to bring the two systems together and explain the different forms of parliamentary democracy under devolution.

That is especially important for the new voters guide. If the guide that goes to new voters in my constituency describes itself as a guide to Parliament and refers only to the House of Commons and the House of Lords and there is no mention of the work of the Scottish Parliament and the day-to-day discussions in Scotland, it will cause some confusion. Separate material may have to be produced for the voters guides that go out to people in Scotland, Wales or Northern Ireland. A better solution, however, might be to ensure that the guide sent to everyone in the United Kingdom properly reflects the devolved arrangements, so that people outside Scotland, Wales and Northern Ireland understand more about the new political settlement. The Commission must take that issue on board, and I hope that it will do so in due course.

I agree with much of what the hon. Member for Lewes said about the environmental impact of our work in the House of Commons, and about how little we are doing to minimise the damage to the environment that Parliament, like any large institution, inevitably does unless it makes real efforts to minimise environmental damage.

The hon. Gentleman said much with which I agree. I shall not repeat his points but wish to say something about encouraging the most sustainable form of travel for people who work in this place, in whatever capacity.

It is always dangerous to refer to personal experience, but sometimes our experiences can highlight defects in the arrangements. I noticed something in the report that highlighted how it sometimes tends to spend a great deal of time emphasising what are quite minimal achievements. Cycling has become more and more popular as a form of transport in London. The section on cycling states:

"The needs of cyclists continue to have priority and a redesign of cycle racks is planned, to maximise parking spaces."

I hope that means cycle parking spaces. In any event, as someone who cycles regularly to the House of Commons, I have not noticed much sign that the interests of cyclists are a priority in this place. Indeed, the recent redesign of part of the surroundings to facilitate understandable security concerns could have been used as an opportunity to facilitate cycle access to the building. Instead, in many ways it is now much harder to get to the building on a bike than it was previously. I can tell those Members who do not cycle that one of the most dangerous parts of my journey is trying to get to the House of Commons from some of the roads in the area. I do not want to dwell on that personal experience, except to use it to illustrate the fact that we do not carry out in practice some of the commitments that we make in theory.

Finally, I want to say something about the cleaning staff in the House of Commons and the dispute that has been going on for some time. As I mentioned, the Commission has been in the grip of the Liberal Democrats for several years. I can envisage the leaflets slamming the Lib Dem poverty pay scandal that would be printed if we were to follow the suggestion made by the Puttnam commission to elect the House of Commons Commission by secret ballot.

Leaving that aside, we are in a dispute with some of the most low-paid people in the House of Commons. The fact that we are unable to come to an agreement on what seems to be a reasonable pay claim is a scandal and reflects badly on the entire House. I happen to be a member of the same trade union as the cleaners, the Transport and General Workers Union. That does not mean that I have an interest in the formal sense, but, like all those in the House who are concerned about employees, I am concerned that we cannot get a satisfactory resolution to the dispute.

David Taylor: I put a question at the relevant time in the Chamber in respect of resolution of the dispute and suggested that a tripartite arrangement be created. I was extremely disappointed that the issue was batted off merely on the basis that it would be too costly to break the contracts and that, in any case, the hourly rates paid are not out of kilter with the rest of the cleaning sector of the economy. That response was profoundly disappointing.

Mark Lazarowicz: I was not in the Chamber to hear that exchange, but it certainly sounds very disappointing. The hon. Member for North Devon has just taken over responsibility, so he cannot carry personal blame for the problem, but I was disappointed to hear him say that there is no money. To be blunt, that is what is always said by employers in difficult circumstances. A point was made about a subsidy through the catering establishment. If it required my paying 10p extra for a meal to provide a decent settlement in the cleaners dispute, I would certainly be happy to do that.

Norman Baker: Has the hon. Gentleman seen the parliamentary answer that I received about the cost of window cleaning at Portcullis House? It said that the cost last year was £115,000. How much of that does he think when to the cleaners?

Mark Lazarowicz: I suspect not a great deal, but no doubt that is information that the hon. Gentleman will be able to elicit in more detail through his parliamentary questions.

I strongly urge all the members of the Commission to try to find some way out of this dispute, which reflects badly on the entire House. It cannot go on any longer.

5.30 pm

The Deputy Leader of the House of Commons (Nigel Griffiths): This Adjournment debate has certainly showcased the wide range of issues with which the House of Commons Commission deals. I know that our distinguished colleague who speaks for the Commission in the House, the hon. Member for North Devon (Nick Harvey), will want to respond to a number of points. I join hon. Members in thanking the staff for all the work that they do in this place. I know that hon. Members will treat them with courtesy and like the fathers, mothers, sons, daughters, brothers and sisters that they are, as we should treat all people, especially those serving the public.

As we are wearing our poppies today with pride, we should thank those members of staff and Members of this House who laid down their lives to defend the democratic principles of this great parliamentary democracy. I also want to pay tribute to former Leaders and Deputy Leaders of the House and to the hon. Member for Epsom and Ewell (Chris Grayling) for his unfailing courtesy. I owe a personal debt to Robin Cook. He was very kind to me when I worked for him first as a volunteer, then as a sub-agent in the year that he was elected to this place, and later as a paid researcher. He is greatly missed.

I want to thank Members who serve on the domestic Committees of the House. They and you especially, Sir Nicholas, have achieved a quiet revolution in this esteemed place, although you may not wish to use those terms in your CV to the 1922 committee. I have certainly witnessed great improvements for new Members. When I was first elected there was no induction course. There was no proper briefing on the work of the Table Office, Select Committees or Standing Committees. For the first few months, I did not have a desk and I did not have a phone, but I had a place to hang my sword. Things have improved greatly, and the Commission should take credit for that.

My hon. Friend the Member for Battersea (Martin Linton) and others showcased what has been achieved by the Modernisation Committee in particular. We have achieved much but there is so much more to do. I believe there will be debates in future on reducing the

[Nigel Griffiths]

voting age, on regarding voting as the duty of every citizen and on extending broadcasting in particular to all public debates of this House and its Committees.

David Taylor: Will the Minister give way?

Nigel Griffiths: I hope my hon. Friend will forgive me if I move on quickly. I want to cover points made by hon. Members who spoke in the debate.

My hon. Friend the Member for Southampton, Test (Dr. Whitehead) tested us among other things on our knowledge of early-day motions. I know we will want to consider what is done. I think that if it were the view of Members that this should be a proper subject for deliberations the Procedure Committee would consider it. The Administration Committee itself will want to consider some of the other points made.

I take to heart the recycling points made by my hon. Friend the Member for Edinburgh, North and Leith (Mark Lazarowicz) and by the hon. Member for Lewes (Norman Baker), who made a particularly thoughtful contribution. The Commission will have noted his comments and will want to respond. The hon. Member for Hazel Grove (Andrew Stunell) raised the issue of the catering subsidy. I speak with some experience on this. When I was first elected as a councillor in Edinburgh, there was a free waiter/waitress service for councillors. I boycotted it. Over time, with the help of colleagues, that got abolished. There is no such free service here, but it is open to those Members who feel that there should not be a subsidy to bring their own sandwiches and not benefit from that subsidy. Indeed, in the month leading up to Remembrance Sunday, they might perhaps put in the poppy boxes an additional contribution reflecting their view of the amount by which their meal, tea or coffee is subsidised.

However, I caution Members against raising these issues in an inflammatory way, although I am not saying that the hon. Member for Hazel Grove did so. It brings us all into disrepute if the subject is not handled with the sensitivity and complexity that it merits. There are 641 Members presently in the House, and 3,000 staff members and others who benefit from the catering facilities. They need to deal with unsocial hours and a lack of alternatives, as security dictates how people can come in and out.

Andrew Stunell: I should be happy to take the matter further forward with the Minister, but he needs to appreciate that the largest subsidy is given to Members, and not to staff.

Nigel Griffiths: I know that this has been a matter for consideration in the past, and it is right that it should be given proper attention. I have informed the hon. Gentleman about it, because I realise that the wheels of change in this place tend to turn slowly, and we tend to deliberate for long periods. I have given a way for hon. Members who do not want to wait for change to set a lead, given that they think that the subsidy is wrong. I do not find it as invidious as it was so starkly made out to be, because many staff benefit from it, and I think that that is right. However, his points have been noted by the Commission, and this is, of course, a matter for that body. Like other hon. Members, I look forward to hearing the contribution of the spokesperson for the Commission, the hon. Member for North Devon.

5.37 pm

Nick Harvey: With the leave of the House, I should like to respond to some of the points made in this interesting debate. There has been a great deal of support for some sort of Braithwaite II. A variety of issues have attracted consensus across the House, such as the need for professional outreach so that the House can communicate with the electorate and public as much as possible. There is probably also consensus on some of the environmental points that my hon. Friend the Member for Lewes (Norman Baker) made.

I particularly welcomed the Leader of the House's contribution at the start of the debate. He acknowledged that, in his view, there needs to be a Braithwaite II of sorts. There will be a range of views on how fast and how radical that should be, but there seems to be clear consensus that there needs to be a review. I also welcomed his recognition of the need for legislation on the parliamentary information and communications technology issue. I hope that he will be successful in finding some time for that. His remarks on the website for Parliament were welcome, but he was right to say that this is a sector that does not stand still. As soon as we have done one major overhaul, it is almost time to begin the next.

David Taylor: Will the hon. Gentleman carry back the fact that the Parliamentary Communications Directorate has done a remarkable job in improving the service here in the past eight years? However, it needs to complete its work by improving its service to Members in the constituencies.

Nick Harvey: It is recognised that there is a need to continue improving the service for staff in the constituencies, and I have every confidence that that will happen.

The contribution from the hon. Member for Epsom and Ewell (Chris Grayling), who spoke for the official Opposition, was also welcome, particularly his remarks about the PCD staff and their work. I will make sure that those remarks are passed back. He was too modest about his work as Chairman of the Audit Committee; he is doing an extremely good job in that role, which is very important. I will say a couple of other things about that in a moment.

The hon. Member for Battersea (Martin Linton) told us that the Welsh Assembly has a communications office comprising 75 press officers—or something of that sort. I paraphrase his comments slightly. We might need to share some of the audit expertise of this House with the Welsh Assembly. I struggle to imagine that value for money can possibly be being secured, although one would think that it might get a better press for having invested so lavishly. I think that he may be about to correct me.

Martin Linton: Let me correct the record. That communications department includes both the people who deal with visitors and the press office. It is, as it would be here, all people dealing with the public.

Nick Harvey: I am grateful to the hon. Gentleman for that clarification. He made an interesting and wide-ranging speech and the best thing would be to write to him about some of the detailed points.

I was pleased that, as a previous member of the Modernisation Committee, the hon. Gentleman felt satisfaction that some recommendations had been implemented. When we get towards having a new visitor centre, some of his points about visitors will be fulfilled. As has rightly been said, some of the other issues he mentioned are not necessarily primarily matters for the House of Commons Commission. In one or two cases, the Procedure Committee would take them forward.

I listened with interest to the hon. Gentleman's comments about televising and relaxing some of the regulations. I have much sympathy with what he said, but one must avoid going too far. When I was in New Zealand a few years ago, I watched televised news reports of events in Parliament there. The Prime Minister had got himself into a pickle in a Committee Room and I was horrified to see that a television crew that was hollering questions was able to follow him down the corridor. One can go too far the other way, but the points that the hon. Gentleman made about the 15-minute gap in coverage on BBC Parliament can, and should, be examined further.

Some of the hon. Gentleman's other points, such as the one about a chief executive of the House, would have to be addressed even were there to be a Braithwaite II. I noted them with interest but I cannot cover all of them. He made points about electronic management. I hope that he is availing himself of the opportunity to table his questions electronically.

Martin Linton *indicated assent.*

Nick Harvey: I am delighted to hear it. Perhaps, that will contribute towards the paper-free Parliament that the hon. Gentleman anticipates.

My hon. Friend the Member for Hazel Grove (Andrew Stunell) made a variety of interesting points. In his remarks about Braithwaite, he was examining the issues at the more substantial end of the scale. In my opening remarks, I said that such a review might take a variety of shapes and sizes. The urging on his part will be noted. There will have to be discussion about the scale, nature, scope and purpose of the review. It is good that there is widespread agreement.

I was a little surprised to be described by my hon. Friend as an elderly alderman.

Andrew Stunell: I believe "unelected" was the word I used.

Nick Harvey: I am grateful.

My hon. Friend made a strong argument about the catering subsidy. The Deputy Leader of the House has already made his point about the greater number of meals consumed here and said that the greater beneficiaries of this are the staff of the House and the staff of Members, many of whom work long and antisocial hours. The newly formed Administration Committee is about to embark shortly on another review of catering in the House, and these are points that it could sensibly take up.

I have a great deal of sympathy with my hon. Friend's point about the calendar of sittings, as I am sure all Members would. He also mentioned the screen. Many of my hon. Friends are concerned that the arrangements for the new screen impair visibility of the nearer half of the Chamber, and some hon. Gentlemen from other parties share the general sense of unease. I will come back to my hon. Friend on that matter, as it will need to be investigated further.

The hon. Member for Southampton, Test (Dr. Whitehead) told us that one of his predecessors was Guy Fawkes. The first researcher I attempted to appoint in the House took a very long time to get his security pass because his grandparents had attended Communist party marches in the 1950s and that information was still on file. It is perhaps as well that MPs do not get security clearance for their passes, or the hon. Gentleman might never have got one; they would not have let him in.

The hon. Gentleman made a very interesting speech about early-day motions and the purpose they serve. It is primarily a matter for the Procedure Committee, but the House of Commons Commission would perhaps end up looking at some of the practical issues that arise. Many hon. Members said how important it was to interact with the public in a way that made Parliament mean something to them. Early-day motions and campaigns about early-day motions are one of the few things that go on here that seem to make sense to a lot of the public. If they realised how minimal was the impact of early-day motions, they might well be horrified. There may be better ways of doing such things, but we should not throw the baby out with the bathwater if early-day motions are one of the few things that actually get the public interacting and engaging with Parliament.

As I said, my hon. Friend the Member for Lewes has recently published a detailed environmental analysis of Parliament. I have undertaken to respond to that report publicly so that the reply can be seen by everyone. I will send copies of that reply to those who have attended this debate.

I do not intend now to respond in detail to the points made by my hon. Friend, but I want to correct him on one point: he repeated an assertion he has made before, which was that the environmental management of the two Houses of Parliament is not co-ordinated. I repeat the explanation that I am sure he has had before, which is that the environmental management of the two Houses of Parliament is done as one on an estate-wide basis. I note my hon. Friend's dissatisfaction that he cannot ask questions in this House about those aspects that are carried on in the other place, but that is a matter of parliamentary procedure. Perhaps he needs to find someone in the other place who will table the equivalent questions. The management of the Houses of Parliament is done in a completely unified way. There is one estate management process for the entire parliamentary estate.

My hon. Friend also asked about the covered walkway, and I share his surprise at its cost. The Chairman of the Audit Committee is present and will have heard my hon. Friend's remarks. If my hon. Friend has grounds for believing that the contract is overpriced, perhaps the Audit Committee should examine the matter and see whether value for money has been secured.

Chris Grayling: It is a serious point, and I will ensure that it is given due consideration. Does the hon. Gentleman agree that the Audit Committee and the House authorities would be interested in a proposal from the hon. Member for Lewes (Mr. Baker) involving the purchase of materials from B and Q, as he suggested?

Nick Harvey: I do not think that the heritage advisers who have a say over changes in the Palace would take entirely kindly to my hon. Friend's suggestion that materials for the purpose could have been secured from B and Q. One thing that needs to be understood is that it was a heritage requirement that the structure that went up was self-standing. I cannot comment on why that was so, but it was the heritage requirement, and that was undoubtedly one of the factors that contributed to the cost. I do not know or understand why the cost is so high, and I share my hon. Friend's surprise. The best thing would be for the Audit Committee to look into the issue.

Norman Baker: Does my hon. Friend agree that the Committee should also look into why the walkway is there at all?

Nick Harvey: It may be within the Committee's scope to do so, and my hon. Friend could invite it to examine that issue at the same time as it looked into the cost.

The hon. Member for Edinburgh, North and Leith (Mark Lazarowicz) has taken an active interest in the question of outreach. As I said, two additional staff have taken up posts in the education unit. In December, the Commission, and possibly the Modernisation Committee, will get an updating report, and we can ensure that the hon. Gentleman gets to see it. We hope that the new outreach staff will have a clear idea of the way forward by then, and some of the suggestions that the hon. Gentleman has made today can certainly be drawn to their attention.

I could reflect on a few other points in the hon. Gentleman's speech, but he raised the issue of the House of Commons cleaners, and I say again that I can add nothing to my responses to questions on 18 October or to what I said at the start of the debate. To correct the hon. Gentleman, however, let me say that we are not in dispute with the cleaners or with anyone. Officers of the House will continue to work with the contractor to help them find the resources within the contract to meet the requirements and demands of the work force. Nobody wants a dissatisfied work force, and Officers of the House will remain engaged in that dialogue to find a way forward.

I am grateful to everybody who has contributed to the debate. A string of interesting points have been raised, and the Commission has heard them and will take note. Where unanswered queries remain, I shall come back to hon. Members with such answers as I am able to uncover.

Question put and agreed to.

Adjourned accordingly at seven minutes to Six o'clock.